

purchase of the  
 publication.  
 the Fidelity  
 Coastcoat 852 848 1700  
 er 31 20 710 976  
 534 71696

# GLOBAL EXPERTISE

# Fidelity Funds.

## The investment range for today's markets.

With heightened volatility in world stockmarkets challenging even the most astute international investor, investment flexibility, choice and first-class fund management expertise are now more important than ever.

That's just what Fidelity Funds offer.

Our global investment range is one of the most comprehensive available and provides investors with unrivalled opportunities for international investment.

With Fidelity Funds you have the choice of where, when and how to invest – around the world – backed by the global investment expertise of the world's largest independent investment management organisation.

For a prospectus and further information contact any of the Fidelity offices listed below.

A WORLD OF CHOICE		
Major Market	Country/Select	Band
America	ASEAN	
Europe	France	European
Japan	Germany	International
South East Asia	Hong Kong	Sterling
	India	US Dollar
	Italy	Yen
	Malaysia	
	Nordic	
	Singapore	
	Thailand	
	United Kingdom	

**London:** Hilary Smith 44 71 283 9911  
**Munich:** Stanley Brouniz 49 89 33 6203  
**Taipei:** Bonita Lee 886 2764 8931  
**Bermuda:** Mike Sommerville 1 809 295 0665

**Hong Kong:** Richard Westcott 852 848 1700  
**Amsterdam:** Teun Scheer 31 20 710 976  
**Jersey:** Geoffrey Tait 44 534 71696

**Fidelity Investments**

Issued by Fidelity International Management Holdings Limited







## INTERNATIONAL NEWS

## Soviet news agency closed down

THE independent Soviet news agency Interfax said yesterday that its services to domestic and foreign subscribers had been cut off by orders of the new chief of Gosteleradio, the state radio and television organisation, Reuter reports from Moscow.

Interfax said officials arrived at their offices in a Radio Moscow building and switched off all machinery.

An agency statement sent to subscribers just before the switch-off said its management saw the move as part of a deliberate policy "of liquidating independent information structures."

Since January 1, Interfax had been running a joint news service with the former Baltic News Service and provided a more balanced view of events in the Baltic republics than that presented by media under strict state control.

Interfax did not link the Moscow move with Baltic developments but said it was due to the closure by Gosteleradio of television programmes expressing radical views.

On Thursday, producers of the popular magazine programme Vozglad (Viewpoint) said they had been temporarily closed down as the first victim of what they saw as a drift to the right by President Mikhail Gorbachev.

## Spectre of Prague returns

As Soviet troops storm Lithuanian buildings, the scene in Vilnius reminds Leyla Boulton of 1968

THE scene might have been taken from the streets of Prague in 1968, when the Soviet tanks rolled in.

A youth rushed out of the Lithuanian printing house, his face covered in blood, after the building had been seized by Soviet troops. Bystanders said he was shot in the face by a furious colonel, after he poured a bucket of water over him.

As he was borne away in an ambulance, the crowd of angry Lithuanians surged around Soviet tanks shouting: "Fascists! Fascists! We will put you on trial!"

Bullet marks could be seen on the white concrete face of the building, from bullets fired when the troops stormed into the printing centre, where seven Lithuanian newspapers are published on Communist Party-owned presses.

Hundreds of ordinary Lithuanians crowded outside the building as the employees were marched out. They jeered at the nervous-looking soldiers, who refused to be provoked into any response.

Further down Cosmonaut Prospekt, on the outskirts of Vilnius, the Lithuanian capital, more Soviet troops ringed the headquarters of Lithuania's self-proclaimed defence force.

In a surreal scene, children

played around the tanks and an armoured car, while a small crowd numbered in dozens, not hundreds, gathered at the entrance to the building.

"We are carrying out our task, which is to defend the building," said a Soviet captain, in reply to this correspondent's question. "What are you defending the building against? Bad weather?" an angry Lithuanian jeered from the crowd.

Behind the captain, young Soviet conscripts, a fair number from the far republics of central Asia, stood in rows looking thoroughly confused.

At the Lithuanian parliament back in town - the cradle of the Soviet republic's drive for independence from the union - about 600 young volunteers, some carrying hunting guns, shotguns and automatic rifles, others simply

armed with iron bars, milled around in the foyer.

Amid repeated reports that Soviet troops from the Kaunas military base were heading towards the nationalist-dominated assembly, the young guards pledged allegiance to President Vytautas Landsbergis and the parliament.

"We are here to defend the president," they declared, as some manufactured Molotov cocktails, piled furniture at the windows, and lined up water hoses to turn on any attackers.

Lithuanian radio began issuing news bulletins every five minutes, with appeals for national solidarity punctuated with singing and classical music, urging Lithuanians generally not to oppose Soviet troops with force.

Earlier, however, Lithuania's new prime minister, Mr Alber-



Soviet troops confront Lithuanians outside the printing plant in Vilnius yesterday

Simenas, said he would not issue orders for the guards to disperse if the parliament came under attack.

Elected only on Thursday, after the resignation of Mrs Kazimiera Prunskiene, Mr Simenas said: "The big neighbour from the east is trying to

provoke instability, so that there will be a pretext to introduce presidential rule."

More than 10,000 nationalist demonstrators converged on parliament from early morning in response to the radio broadcasts. A much smaller group of Russian-speaking, pro-Soviet

demonstrators gathered alongside, shouting: "Resign! Resign!"

They included several hundred Russian workers who have gone on strike as part of an organised protest against the actions of the nationalist assembly.

"What we want is presidential rule. What they want is a bourgeois Lithuania," said Mrs Lydia Andruskevich, a 44-year-old machine tool worker. She said she was on strike. "The management gave us buses and we came here."

Lithuanian militia separated the rival demonstrators. While the Russians shook their fists, the Lithuanians responded with V-signs, and paraded banners saying: "Russians go home" and "Provocateurs".

## US sees fall in wholesale prices

By Michael Prowse in Washington

A SHARP fall in energy costs led to an unexpectedly steep reduction in US wholesale prices in December, the Commerce Department reported yesterday.

The producer price index for finished goods fell 0.6 per cent after seasonal adjustment, a marked contrast to an increase of 0.5 per cent in November and rises of more than 1 per cent in the preceding three months. Analysts had been expecting a decline of about 0.2 per cent.

But the drop in wholesale prices was more than accounted for by a 4.8 per cent fall in energy prices, after big increases in the autumn, and a 0.9 per cent fall in food prices, led by lower prices for fresh and dried vegetables, pork and coffee.

Excluding food and energy, components which tend to be volatile, the "core" producer price index rose by 0.3 per cent, roughly in line with the average increase in recent months. The figures thus provide little sign of a market slowdown in the underlying wholesale price inflation rate.

The overall decline in producer prices, however, is likely to be greeted with relief by the Federal Reserve.

## NEWS IN BRIEF

## Lebanese Druze leader quits cabinet

Lebanon's Druze leader, Mr Walid Jumblatt, resigned from the country's unity cabinet yesterday, dealing a blow to efforts to end 15 years of civil war, Reuter reports from Beirut.

Mr Jumblatt, minister of state and head of the Druze Progressive Socialist Party (PSP), told reporters that "for personal reasons I will stay away from the political scene for the time being."

## West German economy grows

THE west German economy grew by 4.6 per cent last year, the highest increase since 1976, writes Katherine Campbell in Frankfurt. Real GNP growth in 1989 was 3.9 per cent. The German economy was buoyed by the impetus from the new market in the east, as well as strong consumer demand in the west.

## Go-ahead for DHL deal

The European Commission has made an exception under its competition rules to allow the acquisition by Japan Airlines, Lufthansa and Nishio Iwai of a stake in DHL, the international courier company, writes Lucy Kellaway in Brussels. This follows assurances by the three companies that they will not discriminate against DHL's competitors.

## Greeks march through Athens

Thousands of Greeks yesterday joined a sombre protest march through Athens after four people died in a riot that caught fire during a night of clashes between riot police and left-wingers which underlined growing political tension over a crisis in the state education system, writes Keith Hope in Athens.

## Albanian miners strike

A thousand Albanian coal-miners went on strike yesterday in support of opposition calls to postpone next month's elections and grant more time to organise, Reuter reports from Vienna.

## Record Chinese trade surplus

China had a record trade surplus of \$8.11bn (£4.2bn) in 1990, compared with a deficit of \$6.6bn in 1989, Reuter reports from Peking. Exports rose 18.1 per cent to a record \$92.07bn while imports fell 8.8 per cent to \$83.96bn.

## WORLD CAPITAL GROWTH FUND (SICAV)

Registered Office: 14, rue Léon Thyss, L-2636 Luxembourg, R.C. Luxembourg: B24 810

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of shareholders of World Capital Growth Fund will be held at its registered office at 14, rue Léon Thyss, Luxembourg, on 29th January, 1991, at 11.00 a.m., for the purpose of considering and voting upon the following matters:

## Agenda

1. To accept the Directors' and Auditors' reports and to approve the financial statements for the year ended 30th September, 1990.
2. To declare a dividend for the year ended 30th September, 1990 of US\$0.10 per share as recommended by the Board, and to fix its date of payment.
3. To discharge the directors from their responsibilities for all actions taken within their mandate during the year ended 30th September, 1990.
4. a) To re-appoint Mr. H. Kashwaba as a Director; b) To elect Mr. C. J. Shaw as a Director; c) To re-elect the Directors holding office at present.
5. To decide on any other business which may properly come before the Meeting.

Voting Resolutions may be passed without a quorum, by a simple majority of the votes cast at the Meeting.

## Voting Arrangements

Shareholders who cannot attend the meeting in person are invited to send a duly completed and signed proxy form to the registered office of the fund to arrive no later than 22nd January, 1991. Proxy forms will be sent to registered shareholders with a copy of this Notice and can also be obtained from the registered office.

12th January 1991

The Board of Directors

Er De  
**DANSK**  
eller  
**SVENSK**  
Se FT, Lørdag: International Property.



**RISKS OF WAR**  
**ARE YOU HEDGED?**  
CALL FOR  
INFORMATION

CAL Futures Ltd  
Windsor House  
50 Victoria Street  
London SW1H 0NW  
Tel: 071-799 2233  
Fax: 071-799 1321

## The Royal Bank of Scotland Group plc

"Despite the difficult overall environment all of our principal operating divisions continued to trade profitably. Profit before tax after specific provisions for bad debts and after a recovery in respect of loans to countries in payment difficulties of £20.8 million amounted to £262.2 million compared with £228.2 million last year when we made provisions for LDC debt of £108.3 million. The downturn in the UK economy, which intensified rapidly as we went through the year, caused problems for a number of our customers. As a Group we have an ambitious and challenging vision for the mid-1990's and our new structure is designed to enable us to achieve it whatever economic problems and competitive strains lie ahead."

Sir Michael Herries, Chairman speaking at the AGM of The Royal Bank of Scotland Group in Edinburgh on Thursday 10 January 1991.

## HIGHLIGHTS FROM YEAR ENDED 30 SEPTEMBER, 1990

- Profit before taxation increased by 14.9% to £262.2 million.
- Annual dividend raised by 16.7%.
- Shareholders' funds increased by 6.9% to £1,508.4 million.
- Strong capital base. BIS ratio of 11.6%.
- LDC debt exposure reduced to £39.5 million (US \$74.1 million) against which there are provisions of £31.1 million (US \$58.3 million).
- Total assets rose 10 per cent to £30.1 billion.

## ANNUAL REPORT AND ACCOUNTS

For a copy of the annual report and accounts, please complete this form and send it to The Secretary, The Royal Bank of Scotland Group plc, 42 St. Andrew Square, Edinburgh EH2 2YE.

Name \_\_\_\_\_

Address \_\_\_\_\_

Post Code \_\_\_\_\_

FT/1/1/91

هكزامين الازول



## INTERNATIONAL NEWS

## US Exim extends Soviet cover

The US Export-Import Bank has extended its guarantee and insurance to cover US exports to the Soviet Union, Renter reports from Washington.

Its action followed President George Bush's waiver on curbs on aid to Moscow on January 4 and its own review of Soviet economic and political conditions.

Under current law, the bank has a limit of \$500m (£155.4m) on total US exports to the Soviet Union and until the cap is lifted, the bank said it would limit each loan to \$50m.

## Angolan ceasefire 'signed this month'

Angolan rebel leader Jonas Savimbi said yesterday a ceasefire to end 15 years of civil war could be signed before the end of January, Renter reports from Lisbon.

Mr Savimbi's National Union for the Total Independence of Angola (Unita) and the Angolan government (MPLA) are due to hold a sixth round of talks in Portugal this month.

Unita and the MPLA, which has operated a one-party system since the country won independence from Portugal in 1975, are agreed on introducing a multi-party system and market economy.

## Somalian aircraft failed to return

Two Italian Hercules C-130 military transport aircraft returned empty to Kenya yesterday evening after fighting prevented them from landing in Somalia's capital Mogadishu to evacuate dead, wounded and other foreigners still trapped in the war-torn city, reports Julian O'Sullivan from Nairobi.

The Italian government, the last western nation with a diplomatic presence in the city, has announced the closure of its embassy and the evacuation of 90 foreigners sheltering in its compound.

Fighting continued to rage yesterday between rebel groups and forces loyal to embattled President Mohamed Siad Barre.

## US takes action over EC curbs on meat imports

By Peter Riddell, US Editor, in Washington

THE US government has taken the first steps towards initiating a formal Gatt dispute with the EC, following complaints from US meat producers against alleged EC restrictions on imports of American meat.

The dispute could in turn lead to retaliation from the Community.

The argument comes at a time of tension between Washington and Brussels over the breakdown last month of talks on the issue of reducing farm subsidies - the Uruguay Round trade talks.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

Mr. Hills has raised the possibility that the meat dispute could be resolved before long. She said there were signs that the EC was willing to change its position. She put the chances of a successful Uruguay Round at less than 50 per cent.

## GOVERNMENT RULING ON GCSE EXAMS

## Marks to be cut for poor spelling

By Norma Cohen, Education Correspondent

SCHOOL PUPILS who cannot spell properly will see their GCSE examination grades suffer from this summer, after a directive issued yesterday by Mr Kenneth Clarke, the education secretary.

In a letter to the Schools Examination and Assessment Council, the government's advisory body on school exams in England and Wales, Mr Clarke said he saw no reason why GCSE examiners could not deduct up to 5 per cent of marks for "spelling that is clearly poor".

Pupils who could not spell basic words or who repeatedly misspelled specialised vocabulary in the exam subject would be penalised.

The penalties would apply to exams in all subjects, not just English, Mr Clarke said. "I am con-

cerned at the decline in the standard of spelling among young people, and I am anxious that everyone in the world of education should take serious steps to improve those standards."

He said special consideration should be given to those pupils with unusual difficulties, such as dyslexia.

The directive is counter to earlier advice from SEAC that it would not be feasible to introduce a consistent approach to the marking of spelling before summer 1992.

Furthermore, the examining boards that administer the GCSE exams had expressed scepticism about whether it was appropriate to penalise pupils sitting, say, a physics exam for spelling errors. The Oxford and Cambridge Examining Board,

which administers tests taken by pupils at many of the leading independent schools, said it did not believe spelling errors should be penalised except on English exams.

"We regard good spelling as a bonus. We wouldn't be breaking off points for those who can't spell," an official said.

Examining board officials have argued that the GCSE - taken by 15 and 16-year-olds - is the wrong place to get tough with pupils on spelling. It said difficulties with spelling must be caught far earlier in a pupil's academic career.

There is a "worrying shortage" of science teachers in the UK, according to a report published yesterday by the cross-party Commons select committee on education, science and arts. Members accused the government of not doing enough

to attract science teachers and of falling to halt the "brain drain" of science and engineering experts going abroad. They said more financial incentives were needed to make teaching an attractive career for people with good scientific qualifications.

"Urgent action needs to be taken to raise the profile of science in this country and to make people realise that science is an exciting and worthwhile activity."

MPs also called for a study into the extent and causes of the brain drain. "We believe that it is crucial... that we recruit and retain enough high-calibre scientists."

They also urged the government to provide cash to ensure that university laboratories matched those on the Continent.

## IRA and the Libyan connection

Kieran Cooke looks at the fascinating and frightening details revealed this week in the Eksund gun-smuggling trial

ON October 30 1987, French customs officials boarded a rusty, decrepit cargo ship, the Eksund, off the Brittany coast.

The French suspected a drug-running operation. Instead, they discovered enough arms to fight a small war - 150 tons of modern weaponry including Sam 7 missiles, rocket launchers, automatic rifles, machine guns and large quantities of the explosive, Semtex.

The arms had come from Libya and were destined for the IRA. The French had stumbled on the IRA's biggest arms-smuggling operation.

For three days this week, those on board the Eksund, all Irish, have been on trial in a Paris court.

The details that emerged were fascinating and - to the security forces fighting the IRA - frightening.

Five men were involved in the Paris trial including three alleged members of the IRA. Mr Adrian Hopkins, the alleged skipper of the Eksund, was tried in his absence, having jumped bail last July and escaped to Ireland, where he is now in custody facing charges in connection with the Eksund case. The French have made no move to have him extradited.

Mr Hopkins is the former head of a travel company that went bankrupt in the early 1980s. He was not a member of the IRA but seems to have been co-opted into the gun-running operation through a mixture of desperation and financial need.

The IRA had no shortage of funds: Mr Hopkins has said he was paid £100,000 for one gun-running trip alone.

His statements to the French police, read to the Paris court, confirmed for the first time the extent of Libya's involvement in the arms-smuggling operation and its considerable contacts with the IRA.

Mr Hopkins told French police that before the Eksund's trip, he had captained four arms-smuggling voyages between Tripoli and the Irish coast. The total arms cargo landed at a remote pier south of Dublin and then transported to various arms dumps in the Republic of Ireland and Northern Ireland had been about 150 tons.

Those arms are now fuelling the IRA's campaign in Northern Ireland, on the British mainland, and on the continent. In spite of extensive searches on both sides of the Irish border, less than 10 tons from those Libyan arms shipments has so far been uncovered by the British and Irish security forces.



Lethal cargo: French customs officers search the Eksund cargo ship off the coast of Brittany in October 1987

The shipments from Libya reveal a lustrous breakdown in security. The IRA took considerable risks in landing such large arms consignments. Heavy lifting equipment would have been needed to unload the weapons and a number of trucks were probably involved in delivering the arms crates to bunkers north and south of the Irish border.

Until the chance discovery on board the Eksund, neither Irish or British intelligence had any apparent knowledge of the scale of the IRA's arms-smuggling operations.

Mr Hopkins says that Libyan naval ratings helped load the arms in the military section of Tripoli harbour. Libyan diplo-

mats, based in Malta, liaised between the IRA and Tripoli. Mr Hopkins says the IRA seemed to be on very good terms with the Libyans. It had even brought gifts for its Libyan contacts, which included a double bed, an albatross dog and a clock.

The three women judges who heard the case in the 12th Correctional Court of the Palais de Justice in Paris also heard other interesting testimony.

One of the alleged IRA men, gave an impassioned, two-hour speech to the court in which he drew comparisons between the Eksund's mission and a French expedition launched more than 200 years ago which attempted to remove the British from Ireland. Both voyages had the same purpose he said - "the arming of the Irish people".

Among the witnesses for the defence was Ms Bernadette McAliskey, who, as Bernadette Devlin, was once a Westminster MP.

She told the court about what was described as the oppression of the nationalist community in Northern Ireland and how, she said, Britain abused the law.

The maximum sentence the Correctional Court can give is 10 years' imprisonment. A five found on board. The Eksund have been charged with transporting weapons of war in French waters and intent to disturb public order through terror or intimidation.

The French prosecuting counsel has called for seven-year sentences for the alleged IRA men, with lesser sentences for Mr Hopkins and Mr Henry Cairns, a Dublin bookseller and former business associate of Mr Hopkins.

The judges say that because of the complexity of the case, judgment will not be given until March 6. The IRA's campaign, well oiled by its weapons from Libya, will continue long after that date.

## Profit for BSKyB seen by end of next year

BSKyB, the satellite television service created last year by the merger of Mr Rupert Murdoch's Sky and the BSB consortium, might move into profit by the end of next year, according to a new study, writes Alice Rawsthorn.

Technology Advisory Services (TAS), a consultancy specialising in satellite television, suggested that BSKyB could become profitable on a monthly basis next year and on an annual basis in the year after.

BSKyB is making heavy losses, as were both Sky and BSB before the merger. Once it moves into the black, though, TAS expects BSKyB to become highly profitable. It estimates that operating profits will be equivalent to 50 per cent of annual costs by 1993 and to 80 per cent by 1995.

The report estimates that BSKyB will break even once it penetrates 3m households, or 15 per cent of all homes, providing it maintains its current low cost base. At present, the service is received by just over 2m homes.

TAS expects BSKyB to reach 40 per cent of households by 1994 and 50 per cent the following year.

That suggests that its revenue will quadruple to £800m between 1991 and 1995, when its costs will still be less than £400m.

If BSKyB succeeds in achieving those levels of growth, TAS expects it to emerge as a serious competitor to other broadcast media, notably the struggling cable television systems and Channel 4.

The Satellite Television Report, Technology Advisory Services, 189 Kingston Road, London SW19 1LE. £500.

## BBC loses copyright case over World Cup

TELEVISION broadcasters can no longer claim an absolute monopoly to prevent others from using clips from the purpose of reporting current events.

In a landmark judgment that is expected to have serious implications for the broadcasting industry, Mr Justice Scott has dismissed a breach-of-copyright action brought by the BBC against British Satellite Broadcasting, now part of British Sky Broadcasting. The case concerned the use of highlights from BBC coverage of the World Cup finals on the satellite company's Sports Desk news programme last summer.

The judge ruled that BSB's use of short clips recorded from BBC live coverage last June and July was protected by a new defence of "fair dealing", first introduced for broadcasting by the 1988 Copyright Act, which allows limited use of copyright material for the purpose of reporting current events.

The BBC, which paid about £300,000 for its coverage of the World Cup, had contended that BSB's use of "the best bits" from BBC transmissions to illustrate BSB's sports results was



## UK NEWS

# Textile factory to close with loss of 600 jobs

By Alice Rawthorn

MORE THAN 600 jobs will be lost at Cudworth in South Yorkshire when Albert Martin Holdings closes its clothing factory there.

The Cudworth closure is the latest in a long series of cuts in the textile industry in the past year or so. The industry, beset by depressed domestic demand and weak export growth, has been ravaged by job losses and plant closures.

Mr Michael Kidd, chairman of Albert Martin, said the Cudworth factory had been making "significant losses for the past few years". The Martin board had decided to close it late last year after realising that the plant had "no prospect" of becoming viable again.

The factory, which employs 425 full-time and 186 part-time workers, will close in mid April. It manufactures underwear and leisurewear mainly for the UK, but about 25 per cent of its £10m turnover comes from exports to the Continent.

Mr Kidd said the factory had suffered from the combination of high interest rates and the strong pound. That had depressed domestic demand, imposed pressure on exports

and intensified competition from imports.

The competitive state of the textile industry led to a fall in Martin's interim profits from £705,000 to £454,000 in the six months to June 30. However, Mr Kidd said the results for the full financial year, due to be announced in April, should show an improvement on the downturn in 1989 and that the dividend should be "at least maintained".

This is the first significant round of redundancies at Albert Martin for 10 years. After the Cudworth closure it will employ slightly fewer than 4,400 people, mainly in Nottinghamshire, but it is expanding its overseas interests at production plants in Hong Kong, Mexico and Dubai.

● The Surgikos medical products plant at Livingston, West Lothian, is to close by the middle of next year with the loss of 350 jobs.

Johnson & Johnson, Surgikos's parent company, is merging it with another subsidiary and concentrating production at plants at Gargrave, North Yorkshire, and Barby, Lancashire. The group will seek to find employees jobs elsewhere.

## Major opposed to Scottish assembly

By James Buxton, Scottish Correspondent

MR JOHN MAJOR, making his first prime ministerial visit to Scotland, yesterday declared his opposition to the idea of a devolved Scottish assembly. He said it would mean higher taxation and discourage inward investment.

Mr Major spent the day in Edinburgh, on his first official visit since becoming prime minister in November. He said he had not come to make a "great pronouncement" but "to listen to people and make up my mind about a whole series of issues".

He visited a factory and a school for the deaf, lunching with business leaders and addressing a rally of the Scottish Conservative party.

Opinion polls show that a majority of Scots want a Scottish assembly but Mr Major said he would seek to persuade them that it was "not in the interests of the people of Scotland". Scots had to ask themselves: "Do you want it to match an extent that you will be the

most highly taxed part of the United Kingdom?"

A proposed assembly would have to have tax-raising powers if it was not to be a sham, he said. Scotland would lose the inward investment that had created so many jobs.

That is similar to the line taken by Mrs Thatcher, his predecessor, but was advanced without any of the stridency that made Mrs Thatcher such a hated figure in Scotland.

Mr Major said the abolition of the community charge, or poll tax, was "neither ruled in nor ruled out" in the government's review of the tax, which was introduced in Scotland before England and Wales.

The fortunes of the Scottish Conservative party were reviving in Scotland, he said - a reference to opinion polls that showed a jump of a few points in the party's opinion poll rating in Scotland to 24 per cent after he became prime minister. He intended to see them revive further.

## Financial adviser on bail was tied agent, GRE says

By John Authers

GUARDIAN Royal Exchange, the insurance company, confirmed yesterday that Mr John Steel, a financial adviser based in Coventry who is currently on police bail, was one of its tied agents.

A complaint against Mr Steel was made on November 29 to the Securities and Investments Board, which called in the West Midlands fraud squad on December 8. Mr Steel was arrested, but has not been charged.

A GRE official said: "Originally we hoped we were not involved, but it now appears to involve us quite heavily. We are now making an internal investigation."

Mr Steel worked as a tied agent for the company from April 1988 through to June 1990, when he resigned

"with no hint of trouble". Crown Financial Management employed Mr Steel on its sales force from September 1982 until January 1984. Crown said: "We are looking into all the business we received from Mr Steel."

Twenty investors are known to be involved, and they are understood to have been contacted by Mr Steel's solicitor. Any other clients of Mr Steel have been urged to contact GRE or SIB.

About £400,000 of investors' money is thought to be involved. Investments made since the Financial Services Act came into force in April 1988 should be safe, although returns on investments may not be as much as clients had believed.

## Export credits statement

THE government is expected next week to make a statement on its controversial plans for the long-term project insurance business of the Export Credits Guarantee Department, writes Peter Horsfield.

Exporters have been increasingly worried that the plans will include a sharp increase in premiums and a reduction in

cover. There was to have been a debate in the Commons on Tuesday on the privatisation of the short-term business, but it was postponed to make way for an emergency debate on the Gulf crisis.

The delay coincided with fresh indications of dwindling private-sector interest in bidding for the business.

## Council leaders call for debate

By Richard Evans

COUNCIL leaders are pressing Mr Michael Heseltine, environment secretary, for a debate about the future of local government as part of the promised review of the community charge, or poll tax.

The three main local authority associations for England and Wales, representing county, district and metropolitan councils, yesterday sent their joint agenda for talks to Mr Heseltine. A meeting is expected by the end of this month.

After their first meeting with Mr Heseltine on December 17, council leaders expressed disappointment that he had declined to give a commitment that the poll tax would be abo-

lished. Instead, he said nothing would be ruled out of the talks and invited council leaders to submit their agenda.

It has been drafted in the widest terms and calls for "a definition of the constitutional position, role and value of local government", which should embrace a clear statement of government, of the rights and responsibilities of elected and unelected local government, and of the responsibilities of local government on local taxation, expenditure and service standards.

That would also include an examination of ways of enhancing the standing of local government and of encouraging more participation in local democratic institutions.

## Echo of '81 heard in pay pauses of '91

The return of wage freezes is a painful symptom of recession, writes John Gapper

THE OPENING of a new decade in pay bargaining has brought with it an uncanny return to the start of the last decade. For the first time since 1981, cases of companies imposing - and even agreeing - pauses and freezes in pay levels are starting to emerge in the most troubled sectors of the economy.

The pauses, including a six-month freeze for 800 workers represented by the TGWU general union at London Carriers International, are a symptom of how the recession is biting into pay bargaining habits.

They are also leading to intense pressure on bargaining structures and old pay relationships in the affected sectors - notably in road transport and distribution. A further fragmentation of the way pay is set is likely over the next year as a result of these tensions.

The pay pauses, as yet isolated occurrences, remain in contrast to the broad pattern of settlements across the economy. Although Barclays tried to set a sterner tone for the financial services sector with its initial pay offer of 7 per cent, many January deals have continued to fall between 9 per cent and 11 per cent.

There have been two exceptions so far. One is among foreign-owned companies that have severe financial difficulties on the Continent and in Britain. Philips, the Dutch-owned electronics group, has announced a four-month pay pause for 21,000 workers, and Michelin, the tyre maker, a three-month pause.

The second exception has been in road haulage and distribution, suffering badly from the business downturn. The economic climate has led to pay offers by some employers' groups as well as London Carriers freeze.

Those cases echo the past exactly. Ten years ago, Mich-



Stalled: London Carriers International, suffering badly from the downturn, has resorted to a six-month pay freeze

elin delayed pay talks for three months during the recession. By April 1981, the Incomes Data Services research group was reporting a four-month pay pause at British Steel, and British Airways was delaying white-collar pay talks.

A decade on, unions have publicly rejected the idea of bearing the brunt of sacrifice in the recession. Yet the immediacy of the troubles in some companies and sectors has brought a sympathetic response. Unions have accepted it as the alternative to job cuts and short-time working.

Mr Fred Howell, TGWU national secretary, says the freeze at London Carriers was necessary to allow the newly formed company to find its feet. "All the figures showed there was a serious problem there," he says, "a lot of distribution companies are going to the wall."

Unions have been more ambivalent in other cases. At Philips, unions are still consulting on whether to accept a pause. Unions at Michelin in Stoke-on-Trent, Staffs, were inclined to accept one, worried by short-time working for 700 of 1,500 manual workers there.

However, the chance discovery that 1,000 workers in Michelin's commercial division have been given a 9 per cent rise has led to some resentment - an example of the tensions that a pay pause can generate.

Such tensions can emerge in other ways. One is the fracturing effect on pay bargaining structures, as illustrated by the road haulage industry and Philips. In the Road Haulage Association, the last recession ended compulsion on member companies to comply with joint pay settlements.

Mr Rod Jenkins, the RHA's employment affairs manager,

says the last recession led to far more company-level bargaining in the worst-hit areas of the north. This time, he believes, a breakdown of joint deals may spread from the south because the recession is having the heaviest impact there.

Similarly, there are tensions among workers at plants in Philips' components division because all are being asked to accept a pause, although some plants are profitable. Mr Geoff Moorland, an area official of the EETPU electricians' union, says workers at Washington, Tyne and Wear, are unhappy.

A second way in which tensions can break out has yet to be seen. It is in the size of settlements after pay freezes and pauses. The pent-up demand for more pay may be released in relatively high settlements in following years. That effect was seen in several cases after 1981.

For those reasons, it is likely that pay pauses will be a last resort for companies in particular trouble. The greatest significance of their re-emergence may be that they are a symptom of a wider attempt by companies to pull away from their reliance on a pay "going rate".

The range of pay settlements in 1981 was far wider than it is today, in what was a more advanced stage of recession. They were falling between 5 and 15 per cent, evidence of a much stronger focus on what companies could afford. So far, the "going rate" of 1990 has remained fairly robust.

A bigger test for pay will be whether Barclays manages to achieve the below-inflation rise it signalled that it wanted for 75,000 staff on Thursday, and whether other banks follow. That would mean isolated pay pauses as the first painful symptom of a coming pay deflation.

## SOUTH WESTERN ELECTRICITY plc

### INTERIM RESULTS

The results for the half year are entirely as foreshadowed in the Prospectus and the Company remains soundly on track towards the achievement of its Prospectus profit and dividend forecast for the full year. There was a current cost loss before tax for the half year of £9.2 million (a profit of £3.7 million on an historical cost basis).

With a large proportion of the business deriving from domestic electricity sales, the seasonality of the financial performance is accentuated. However, I believe the predominantly domestic customer base makes the Company less vulnerable to economic fluctuations than in many other parts of the country and I look forward to our future with confidence.

William Nicol  
Chairman

Results for the six months ended 30 September 1990 were:-

	Current Cost (Unaudited) £m	Historical Cost (Unaudited) £m
TURNOVER	333.6	333.6
OPERATING (LOSS)/PROFIT	(9.5)	4.4
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(9.2)	3.7
Taxation	(0.4)	(0.4)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	(9.6)	3.3
Extraordinary items	(1.5)	(1.5)
(LOSS)/PROFIT ATTRIBUTABLE TO SHAREHOLDERS	(11.1)	1.8

### CHAIRMAN'S STATEMENT

The Distribution business was profitable for the half year and benefited from an increase in electricity unit throughput of 1.2% on the first six months of the previous year. 7.4% of total throughput represented sales via second tier licensees.

As predicted, the Supply business made a loss during the period. This was due primarily to the seasonality of its sales and the provisions of the electricity purchase contracts. The loss of sales by the Supply business to second tier licensees has not had a material impact on the profitability of the business.

Adverse market conditions for Appliance Retailing have inevitably affected sales but good progress has been made in streamlining this activity. A third superstore has been opened on the outskirts of Bristol and margins have also improved, illustrating the progress of our plans to restore the business to profitability.

In Generation, as indicated in the Prospectus, the Company is considering participation in a number of schemes, particularly the development of a 1725 megawatt combined cycle gas turbine facility on Teesside. South Western Electricity has an option to take a shareholding of approximately 7.7% in the joint venture.

Dividend and Prospects. As explained in the Prospectus, no interim dividend is proposed. The Directors expect to recommend the payment in October 1991 of a single (final) dividend for the year ending 31 March 1991 of 10.57 pence net per ordinary share (approximately £13.0 million in aggregate). In the absence of unforeseen circumstances, the Company is confident that it will achieve its full year profit and dividend forecast as outlined in the Prospectus.

### NOTES TO THE ACCOUNTS

1. Basis of Preparation. The interim accounts, which are unaudited, for the six months ended 30 September 1990 have been prepared on the basis of the accounting policies set out in the Prospectus dated 21 November 1989 containing Listing Particulars of South Western Electricity plc and are consistent with the accounting policies adopted for the year ended 31 March 1990.

Results for the six months ended 30 September 1989 have not been presented. The Directors believe that comparison with this prior period would not be meaningful in view of changes during the current year in the commercial and contractual environment of the Company and in its capital structure and regulatory system. The financial information contained in this interim statement does not amount to full accounts within the meaning of Section 240 of the Companies Act 1985.

2. Investment income included within the (loss)/profit before taxation is £2.9 million in respect of the interim dividend (including associated tax credit) receivable from The National Grid Holding plc for the period ended 30 September 1990.

3. Interest Charge. The (loss)/profit before tax is net of an interest charge for the period of £3.5 million. The charge reflects the borrowings put in place in order to operate within the new energy purchasing arrangements. The interest charge will be higher in the second half of the year because of the injection in October 1990 of £30 million by way of Government debt as part of the privatisation programme.

4. Taxation. Taxation for the six months ended 30 September 1990 has been provided on the basis of the estimated effective tax rate for the year ending 31 March 1991.

5. Extraordinary Items. Extraordinary items comprise privatisation costs incurred in the half year ended 30 September 1990.

6. Reconciliation of Current Cost Accounts (CCA) to Historical Cost Accounts (HCA). The Company's Distribution business is capital intensive; typically, its fixed assets represent more than 80% of the total CCA assets employed, with long average asset lives being reflected in the policy of depreciating them over 40 years. To base the depreciation charge on the original cost of these assets is therefore considered to overstate the real profitability of the Company so that the adjustment to HCA depreciation is the predominant reconciling difference between the CCA and HCA accounts as can be seen in the following statement.

	Current Cost (Unaudited) £m	Historical Cost (Unaudited) £m
CCA loss on ordinary activities before taxation	(9.2)	
Adjustments:		
Depreciation		11.4
Cost of sales		0.2
Monetary working capital		2.5
Gearing		(1.0)
HCA profit on ordinary activities before taxation		3.7
7. Pre Forms Earnings		
Pro forma loss on ordinary activities after taxation	(12.7)m	(11.1)m
Pro forma loss per ordinary share	(10.3)p	(8.9)p
Pro forma loss per ordinary share has been calculated by dividing pro forma loss after taxation by 123.1 million ordinary shares in issue immediately following taxation as if they had been in issue since 1 April 1990.		
Pro forma loss on ordinary activities after taxation has been calculated by increasing the interest charge by £4.9 million (less £3.5 million tax credit) and, for current cost accounts only, increasing the gearing adjustment by £1.5 million on the basis that the new capital structure had been in place since 1 April 1990.		
Actual earnings per ordinary share have not been presented: the number of shares in issue during the six months ended 30 September 1990 and the actual losses for that period are not considered to be representative of the Company's position following implementation of the new capital structure.		

South Western Electricity plc, 200 Park Avenue, Aztec West, Almondsbury, Bristol BS12 4SE.



FT12



## THE GULF CONFRONTATION

## FINANCIAL TIMES

NUMBER ONE SOUTHWARK BRIDGE, LONDON SE1 9HL  
Telephone: 071-873 3000 Telex: 922186 Fax: 071-407 5700

Weekend January 12/January 13 1991

## Four days still to go

"THE LIBERATION of Kuwait without war would not be a 'Middle East Munich' but a great achievement of the new world order, and a basis from which to apply creative diplomacy, rather than violence to the Middle East's other problems."

This judgment is as valid now, four days before the United Nations deadline for the withdrawal of Iraq from Kuwait, as it was when it was written in an FT editorial five weeks ago. In the intervening period, much has happened, and nothing as definitive as the exchanges this week in Geneva between Mr James Baker, the US secretary of state, and Mr Tariq Aziz, his Iraqi counterpart.

But one factor has remained constant. War can only be avoided if President Saddam Hussein of Iraq decides to get out of Kuwait. If he does not know this by now, or if indeed he is ready to commit his country to a conflict he believes he will not lose, or for the wider purposes of Arab martyrdom, then war there must be. The evidence assembled on these pages suggests Iraq will indeed be defeated, but the consequences are incalculable and most of them bad, for the people of Iraq, for the region as a whole and for the general cause of a peaceful, law-abiding world.

It is difficult to see what else the United States and the remarkable coalition it has helped to assemble can do to persuade Saddam that he must give up Kuwait. Mr Baker said this week, not for the first time, that if Iraq withdraws it will not be attacked. While properly rejecting the specious Iraqi claim that Kuwait was invaded in order to further the cause of the Palestinians, the US has also consistently indicated a willingness to discuss anything and everything after Kuwait is free.

## Last-ditch effort

At the same time, President Bush and Mr Baker have never foreclosed other avenues of communication that might avoid war. Mr Javier Pérez de Cuellar, the UN secretary-general, arrived in Baghdad today for a last-ditch effort to make President Saddam face reality. He has no negotiating mandate, but he probably can offer additional assurances, of, for example, a UN peacekeeping force interposed between the armies of Iraq and the coalition after an Iraqi withdrawal.

If he cannot find the key, then there is no reason why the European Community, France, the Arab world, the president of Zambia and anyone else should not continue to try until the last possible

moment - maybe even beyond it - so long as the bottom line remains intact; that by mid-night on Tuesday Iraq must convincingly commit itself to leaving Kuwait.

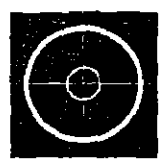
If Iraq launches a pre-emptive strike of its own, on Saudi Arabia, into Jordan, or, most worryingly, on Israel, or if it has recourse to chemical, biological or even nuclear weapons, then both the political and military objectives of the US-led coalition will be subject to instantaneous revision. If, with diplomacy exhausted, the first strike comes from the allied forces then the question of objectives is easier to address.

Saddam Hussein must surely understand that an operation to liberate Kuwait will not be confined to the territory of that desecrated country. It would be impossible to hamstring the allied generals by restricting their military targets inside Iraq. So even if the person of Saddam Hussein is not a target, Iraq's air and missile bases will be. Only in one possibly critical sense, should political considerations be allowed to intervene. It is devoutly to be hoped, for all the obvious reasons, that Israel is kept out of any conflict. Should Iraq fire missiles at Israel, it will be difficult to dissuade the Israelis from retaliation (the Shabab government has already warned that it will fight back if attacked.) Yet given the alarming repercussions of Israeli involvement, every effort should still be made so to do.

## Real purpose

The US must also be satisfied that it has the Arab members of the coalition in full agreement on the objectives and scope of military action. This may be the real purpose of Mr Baker's current mission. The Arabs ranged against Iraq would prefer military action limited to the recovery of Kuwait but would be happy to see President Saddam go. They do not necessarily wish to see the Iraqi military wiped off the map as this would tip the strategic balance in the Middle East in favour of Israel and Iran. A military action resulting in the removal of Saddam is likely to lead to the destruction of his armed forces and the power structure of the Ba'ath Party.

The future of Iraq, with or without war, and any new Middle Eastern order, affecting all the inhabitants of the region, are great and serious subjects, but they are not going to be solved in the next four days. January 15 is a deadline for the outbreak of war but it is a day after which it may happen. It is the responsibility of Saddam and it is in the interests of his country to prevent it.



THE generals are waiting for their time to come. From Tuesday, the UN deadline, barring an 11th-hour about-face by Iraq, military logic will begin to take over. It will then be mainly military arguments that will determine when the US and allies should attack Iraq and its forces in Kuwait. As President Bush has hinted, the offensive might not be immediate. This is not just a matter of how ready the latest western ground reinforcements are. The US and its allies can exploit a delay, keeping Iraq's commanders guessing, playing on their nerves, wearing down morale and making them use up supplies. But it would not be long. If there was an option to hold out, said until the autumn, it has been closed. Neither the US nor Britain can realistically sustain their forces through the summer, nor rotate them with fresh troops. US units that were being foreseen as replacements have been sent instead as reinforcements. The UK has virtually immobilised the British Army of the Rhine to provide its two brigades and divisional artillery, plundering equipment, spares and men from other units. If there is to be a war, the forces that are there now or in the process of arriving will be the ones which have to fight.

But a war with what aims and within what limits? Standard military teaching allows for no confusion.

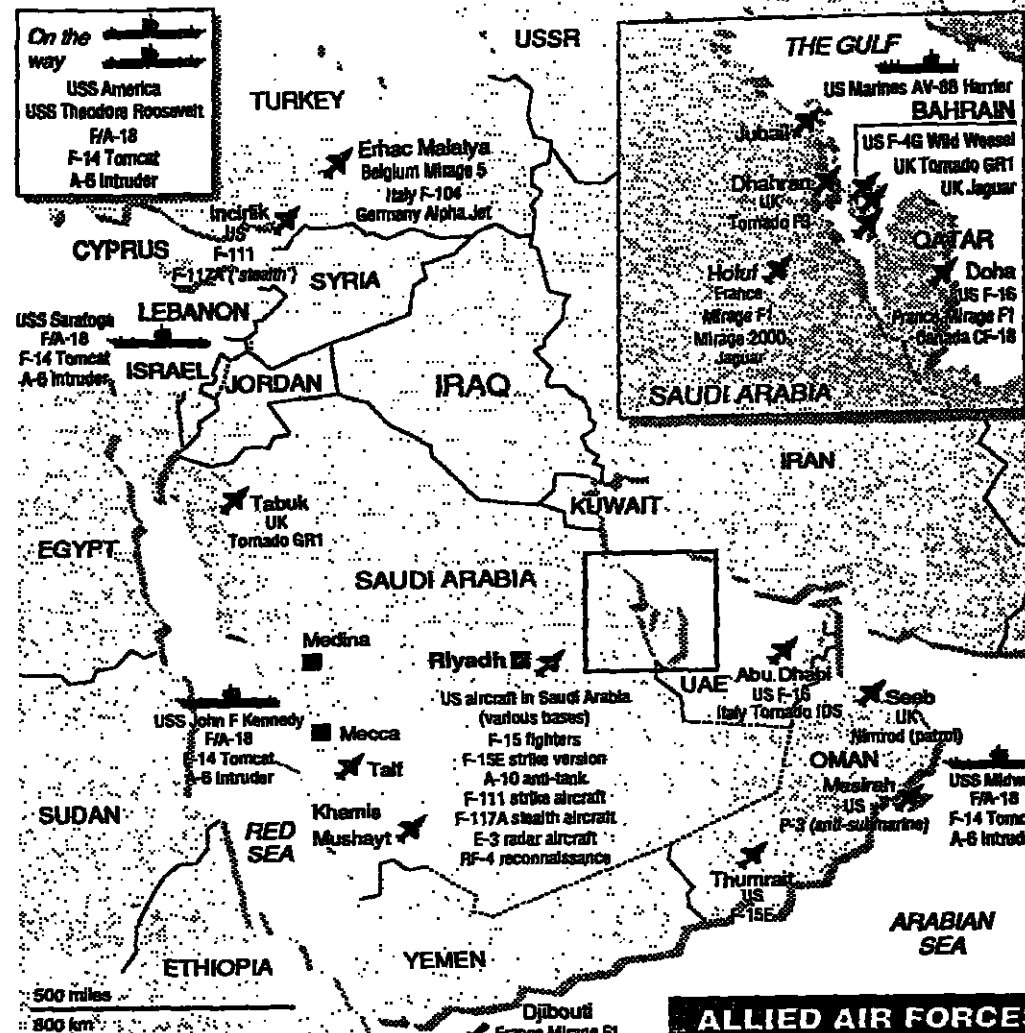
"No-one starts a war - or rather, no-one in his right senses should do so - without being clear in his mind what he intends to achieve by that war and how he intends to conduct it." This is Carl von Clausewitz, the early 19th-century Prussian soldier and classic writer on strategy.

There has been a distinct effort in recent weeks to convey greater clarity about political objectives. To underline this, both the US and Britain have taken pains to spell out that if Iraq withdraws from Kuwait it will not be attacked. But beyond the agreed aim of re-establishing Kuwait there is an unwritten agenda on which consensus is less clear. This must surely for the US include not only the disabling of Iraq as a future military threat in the region but also the overthrow of Mr Saddam Hussein. President Bush will have invested so much of his reputation that it is hard to imagine otherwise.

On how far the war should be taken, and on what role western forces should have in the region thereafter, there is no agreement among Europeans, let alone between the US and all the members of the Saudi-Arab-Muslim coalition.

The problem is the immediate need to maintain cohesion among the allied forces and to avoid sapping the resolve of Arab governments.

In the US-led military build-up there has already been a progressive escalation of objectives: first to deter Iraq from pushing on south and to defend Saudi Arabia and the smaller Gulf states, then to be able to recover Kuwait by a



## Face-off in the Gulf:

counter-offensive and to destroy military facilities within Iraq. For Arab public opinion in areas such as North Africa, this is easily construed as confirming the idea of a US-led crusade against an Arab cause led by Mr Saddam Hussein. It has long been obvious that war would not be confined to Kuwait and its environs. Otherwise why would the RAF have stationed an enlarged squadron of Tornado bombers, equipped to carry out low-level attacks on airfields, at Tabuk in north-western Saudi Arabia, near enough to Jordan to have to carry out its training flights in the opposite direction, and closer to Baghdad than to Kuwait or Basra?

Attack aircraft from bases spread around the region and from six US aircraft carriers plus cruise missiles from warships are expected to be used against military installations anywhere in Iraq and against Iraqi efforts to reinforce troops in the Kuwait theatre.

It would be foolish to predict quite how the conflict will develop - war has its own dynamic - or to second-guess allied plans. Iraq would be expected to be attacked, but the attacker always has the advantage of tactical surprise. Some supposition can be made, however. Needing to bring the conflict to as rapid a conclusion as possible, US and other forces would try to keep up a round-the-clock

onslaught, exploiting their ability to fly and fight at night and their advantage in combat aircraft - probably three-to-one. Iraqi air defences would be a first target. Then waves of aircraft would be sent to put

air bases out of action, to destroy missile sites, ammunition stores, communications, and command posts. Then there might be a pause. Command of the skies would provide a crucial advantage in

launching a land assault. This would play on fast-moving manoeuvres. It could be done on several axes at once, overland through the defensive barrier in southern Kuwait, around the defences to the

west, from the sea, with marines supported by naval gunfire, and in the rear of Iraq's troop concentrations using aircraft, helicopters and paratroops.

But there are unknown factors in the hands of Mr Saddam. One is the kind of weapons he would employ. Most experts believe Iraq is a still a number of years from producing nuclear weapons. Mr John Simpson of Southampton University's Centre for International Policy Studies, a leading British authority, says that to make a bomb with the small amount of highly-enriched uranium Iraq already possesses would require technology beyond its grasp. But Iraq certainly does stockpile munitions with chemical agents, both blister and nerve gas, and is thought to possess outlawed biological weapons.

Iraq has also developed derivatives of Soviet SS-1 Scud-B missiles with mobile launchers, and recently tested one to a range of some 450 miles. Such a weapon could reach Riyadh from southern Iraq, or anywhere in Israel from Iraq's launching site in the west of the country. What is not known is whether Iraq has chemical warheads for these longer-range weapons and how effective they would be on the battlefield.

Contradictory signals have been sent about the possibility of a last-ditch effort to

## 'The Bear' calls the shots

NICKNAMED "The Bear" General Norman Schwarzkopf is the man charged with winning a future war against Iraq. A tall man with huge hands, "Stormin' Norman" heads US Central Command, which covers 19 countries in the Middle East, Africa and the Gulf. Since no Middle East country is willing to be Centcom's host, General Schwarzkopf's home is usually at MacDill Air Force Base in Tampa, Florida.

General Schwarzkopf was dispatched in early August to assume day-to-day command of Operation Desert Shield in Saudi Arabia. His appointment signalled that General Colin Powell, chairman of the Joint Chiefs of Staff, wanted the US Army to assume a leading role in defending Saudi Arabia and, if necessary, in liberating Kuwait.

The 56-year-old general, who served two tours in Vietnam and commanded the 24th Mechanised Infantry, the army's elite tank division, was



asked recently about the length of a possible war.

"I can assure you that if we have to go to war," he said, "I am going to use every single thing that is available to me to bring as much destruction to the Iraqi forces as rapidly as I possibly can in the hopes of winning victory as quickly as possible."

General Schwarzkopf has

spent a good deal of time reading Arab literature about President Saddam Hussein, from his childhood to his ascent to power. "I think you come to the conclusion that this is an island of a man," he told the New York Times, "who is really both isolated and who has insulated himself from the entire rest of the world. I do think he is a megalomaniac."

So far, General Schwarzkopf, a native of New Jersey who graduated from the US Military Academy in 1956 and later earned a master's degree in missile engineering from the University of Southern California, has handled skillfully relations with Saudi Arabia, host to the multinational force. Having seen General Michael Dugan, the US Air Force chief of staff, sacked for loose talk, "The Bear" is treading softly. But there should be no doubt about who is ultimately calling the shots.

Lionel Barber

## Desert Shield is ready to reach its peak

WITHIN two to three weeks, Operation Desert Shield, the biggest deployment of US troops and supplies since the Vietnam War, will hit its peak.

Some 430,000 soldiers, airmen and sailors should be in place, supported by more than 900 warplanes, 1,300 tanks, 1,500 helicopters and 2,000 armoured personnel carriers. A naval task force including six aircraft carriers will be stationed in the Gulf region, as well as two hospital ships, each the size of three football fields.

The speed of deployment inevitably raises questions about combat readiness; at least one senior US commander in Saudi Arabia has questioned whether US ground forces will be prepared to move on to the offensive before early to mid-February. More broadly, defence experts, notably Mr Sam Nunn, chairman of the Senate Armed Services committee, have wondered aloud whether the US drive for military superiority has created its own momentum for war.

Without doubt, the US build-up in the Gulf will rank as one of the most ambitious in military history and in the 12 months from October 1990 will cost about \$30bn. This figure could escalate to \$1bn-\$2bn a day in the event of war. Saudi Arabia has been contributing about \$1bn a month direct to the US, and yesterday offered to meet 40-50 per cent of the total costs of any war.

On August 2, when Iraq invaded Kuwait, the US had little more than a six-ship flotilla in the region and no US troops on the ground in Saudi Arabia. One aircraft carrier, the USS Independence, with 130 jet fighters and bombers, was three days' steaming time away.

Despite much belligerent rhetoric, notably the promotion of a "surgical strike" against Iraq, the successful defence of Saudi Arabia, the

original goal of Operation Desert Shield, remained in doubt until early November. Overwhelming Iraqi superiority in terms of tanks, artillery and manpower left the nascent US force extremely vulnerable. General Colin Powell, chairman of the Joint Chiefs of Staff, has subsequently admitted.

Fortunately, President Saddam Hussein chose not to strike, and the Pentagon was left free to implement a sea-lift. By mid-December, some 3,300 pounds of dry cargo had landed in the Gulf region, supported by 6,200 pounds of petrol, oil and lubricants.

Perhaps the single most important factor speeding deployment were the nine moored cargo ships - "maritime pre-positioning ships" - stationed in the area. These converted container vessels had enough ammunition and material on board to support 33,000 marines. They were unloading by August 15.



A Bradley Fighting Vehicle lands

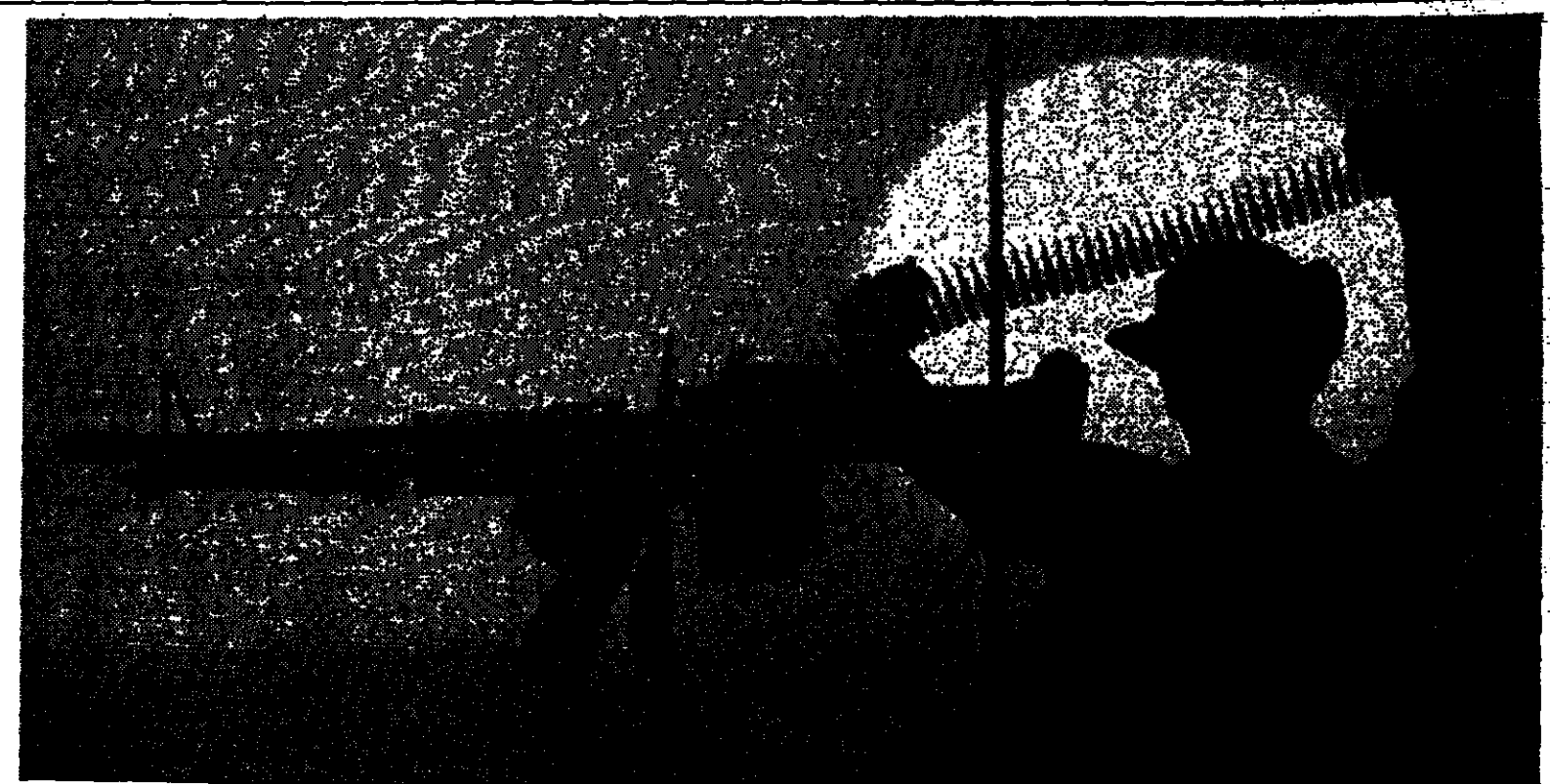
Ten similar vessels, carrying air force and navy gear, were discharging cargo just two days later.

More worrying were the weaknesses exposed in the US merchant marine: after the Military Sealift Command activated some of the 96 ships in the Ready Reserve Fleet, almost three in four of the original 40 ships called to duty could not meet their steaming deadlines. Equally troublesome was the reliance on foreign-owned vessels: of 103 ships chartered for Desert Shield use, some 104 are currently foreign-flagged (though these do not impose operational restrictions).

President Bush's decision virtually to double US forces in early November and give them an "offensive option" to liberate Kuwait put further strain on the supply chain. General William "Gus" Fagone, who heads the logistical co-ordination, has seen his staff grow from five in August to 16,000 - each responsible for "marrying" men (and women) with their equipment, so that they can undergo the two to three weeks' training needed before they are deemed "combat ready".

This extra 14 to 21 days is critical now that Operation Desert Shield is peaking. On average, more than 2,000 soldiers arrive - and will still be arriving at about January 15, the United Nations deadline for Iraq to pull out of Kuwait. Senior US commanders - notably Lt Gen Calvin Waller, a blunt army man from Louisiana - have made clear that January 15 is a political rather than a military deadline. Aerial strikes are, of course, possible; but the overwhelming preference in the light of logistical pressures seems to be to wait until early February for a ground offensive.

Except for food and water, the most critical supply need has been munitions. Although huge quantities of ammunition and artillery shells were "pre-positioned", military planners discovered at least two important shortages: "smart"



high-tech missiles such as the Hellfire and TOW II anti-tank weapons and heavy M1-A1 tanks to bolster the M-1 and Sheridan tanks already in place. These needs have been met by plundering stocks in Europe and pulling the Army VII Corps out of Germany (a decision made easier by the decline in the Soviet threat).

The Pentagon has called up 147,000 part-time and reserve troops to active duty since the crisis began. Mr Dick Cheney, defence secretary, is shortly expected to seek extraordinary authority to extend their stay beyond the initial 180 days designated under the law, mainly because support units are involved in key areas such as water purification, medical back-up and construction.

Occasionally, evidence surfaces that the Pentagon has little room to manoeuvre. The Washington Times reported this week that the dispatch of a front-line medical unit with the Washington DC national guard had been delayed because 71 out of

Build-up in the Gulf: above, a guard loads ammunition into an M-60 machine gun; right, a US marine guards an anti-tank missile

roughly 180 members lacked training or readiness, causing two senior officers of the predominantly black unit to be relieved of duty.

These glitches do not appear to be widespread, but some defence department officials grudgingly admit that heavy casualties could have a severe effect on the logistical chain - should the Iraqis penetrate the US-led coalition lines. Another worry is that many of the new US weapons systems are unknown quantities when it comes to maintenance and supply requirements.

All this reinforces the impression that the US wants a short war. President Bush's vow that "this will not be another Vietnam" is therefore not so much a boast as an attempt to make a virtue out of necessity.

Lionel Barber



هكرامى النجف



## UN DEADLINE APPROACHES

**IRAQI GROUND FORCES IN AND AROUND KUWAIT**  
590,000 troops  
4,200 tanks

**ALLIED GROUND FORCES IN SAUDI ARABIA**  
454,000 troops  
3,675 tanks  
848 attack helicopters

*Estimates include reinforcements (figures exclude detachments now operating in the Gulf Cooperation Council)*

## THIRD US ARMY - MAIN UNITS

18th Corps:  
82nd Airborne Division  
101st Airborne Division  
24th Infantry Division (Mechanized)  
57th Infantry Brigade  
3rd Corps Artillery  
11th Air Defense Artillery Brigade  
1st Cavalry Division  
3rd Armoured Cavalry Regiment  
12th Combat Aviation Brigade  
27th Aviation Regiment

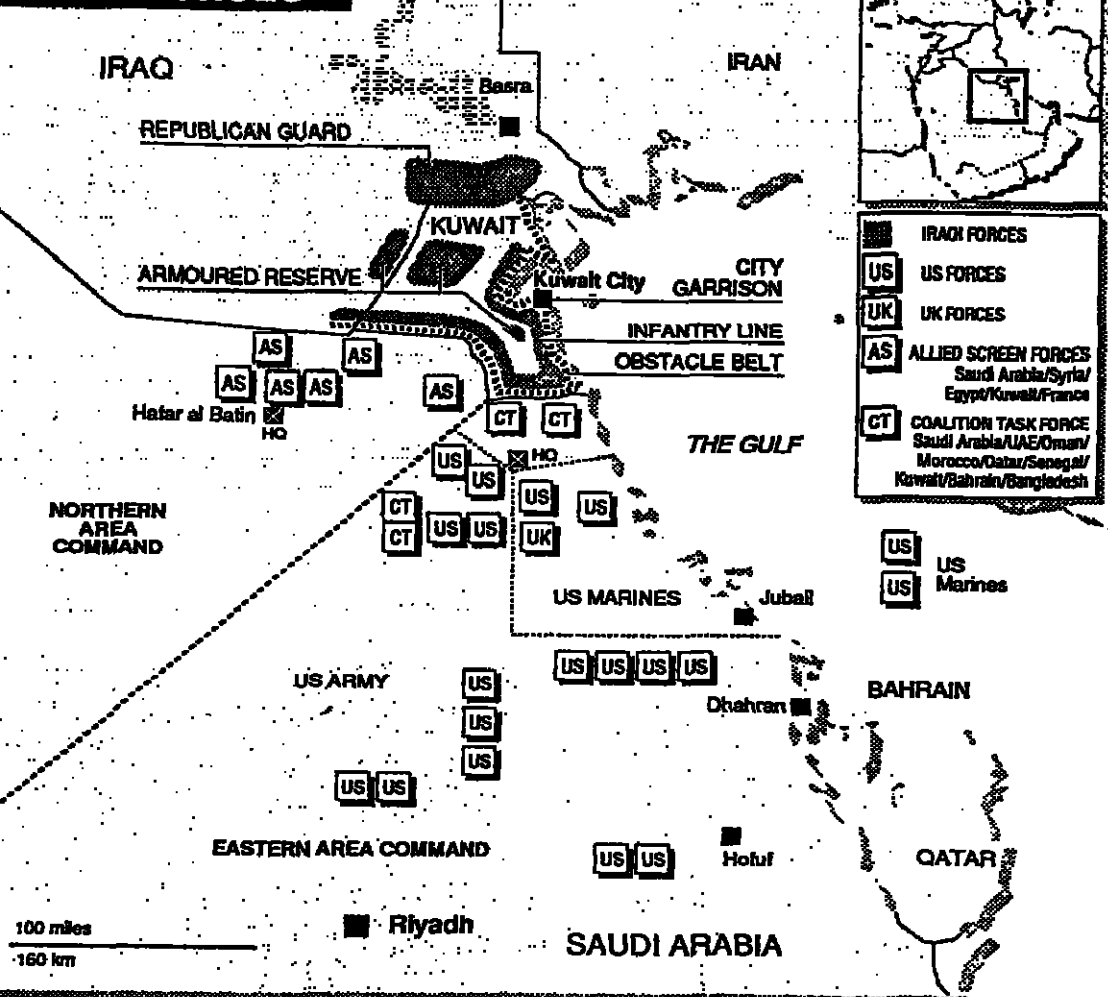
**New deployments**  
7th Corps:  
1st Armoured Division  
2nd Armoured Division  
3rd Armoured Division  
2nd Armoured Cavalry Regiment  
1st Infantry Division (Mechanized)  
7th Corps Artillery  
7th Corps Aviation Brigade

**US MARINES**  
1st Marine Division  
At sea: 4th Marine Expeditionary Brigade

**New deployments**  
2nd Marine Division  
At sea: 5th Marine Expeditionary Brigade

**BRITISH ARMY**  
1st Armoured Division:  
7th Armoured Brigade  
**New deployments**  
4th Brigade

## LAND FORCES



## the military equation

Continued from previous page response. Mr John Major, the British prime minister, has now said that retaliation would stop short of nuclear arms, and US officials have made similar comments. This may have been aimed at dampening domestic protest against the coming war. Up to now speculation about use of tactical nuclear arms has been allowed to grow, to deter Iraq from contemplating the use of its chemical or biological weapons.

But a nuclear response by the US is virtually inconceivable. Once that taboo was broken, other countries would feel justified in their efforts to obtain a nuclear capability for their own protection. It would mean, in effect, jettisoning the achievements of the Nuclear Non-Proliferation Treaty.

Retaliation in kind with chemical arms would also be contrary to all Washington's political aims, upsetting efforts to establish a nuclear prohibition. Unlike Britain, the US has chemical weapons stocks - kept as an answer to that form of attack - but may not have deployed them in the Gulf, according to defence analysts.

However, western forces have other weapons in their armoury that could match the "massive" retaliation. These include new fuel-air munitions, which work by dispersing a cloud of fuel vapour and then exploding it. The results, says

one military expert, "could be pretty bloody horrible."

High on the shorter-term list of imponderables is what happens if Iraq makes good its threat to attack Israel and lever the US-Arab coalition apart. There have been worries Mr Saddam might do this before any allied offensive was organised against him. Mr David Bolton, director of the Royal United Services Institute for Defence Studies, believes it is probably too late for him to play this wild card, and questions whether Iraqi missiles, with small payloads, would be effective enough. "They are just as likely to fall in the sea or in the desert as they are on Tel Aviv," he says. Despite the rhetoric, he says that Israel might hold back from immediate retaliation under Washington's persuasion. A pre-emptive attack on Israel would in any case probably be sufficient to trigger a US offensive.

But it would also cause severe political problems for the alliance's Arab members from outside the Gulf. Neither President Hafez al-Assad of Syria, nor President Hosni Mubarak of Egypt, nor King Hassan of Morocco would wish committing their troops to a war in which they fought on the same side as Israel; nor would US commanders be happy about relying on hesitant or hostile Arab soldiers. It is therefore assumed that most of the non-Gulf Arab forces

will stay in defensive positions. There is too the possibility of another front, with some concern about the security of the Saudi border with Yemen.

Even without these uncertainties, it remains to be seen how smoothly allied operations would work in the event. Command and control arrangements, especially for ground forces, continue to raise questions even after months of discussions. Delicate problems of political appearances - such as where French forces fit in - have had to be catered for.

Li Gen Sir Peter de la Bilière, the dry, quietly-spoken British commander in the region, had early experience of multinational operations in Korea and has no time for ambiguity. "If there is a war, we have got to have one person issuing orders."

A structure has been worked out for consultation with the Saudis on the broader issues. According to this formulation, everything comes under "the strategic direction of the Custodian of the Two Holy Mosques" - that is, King Fahd, represented by his nephew Li Gen Prince Khalid bin Sultan, the Saudi military commander. But operational decision-making, "the fighting part", would be devolved to Gen Norman Schwarzkopf, commander of US Gulf forces. For Britain this arrangement is clear enough. The other countries are considered to

**UNITED NATIONS RESOLUTIONS**

**Security Council Resolution 660, August 2 1990:**  
The Security Council... demands that Iraq withdraw immediately and unconditionally all its forces to the positions in which they were located on August 1 1990.

**UN Security Council Resolution 678, November 29 1990:**  
The Security Council... acting under Chapter VII of the Charter of the United Nations;  
■ 1 Demands that Iraq comply fully with Resolution 660 (1990) and all subsequent relevant resolutions...  
■ 2 Authorises member states co-operating with the government of Kuwait... to use all necessary means to uphold and implement Security Council Resolution 660...  
■ 3 Requests all states to provide appropriate support for the actions taken in pursuance of paragraph 2...

have signed up to the idea, but there may still be room for delays and misunderstandings. The forces arrayed in the region have different equipment, operational practices and degrees of experience. "The Saudis are unused to operating above brigade level," one expert noted after visiting area commands two months ago. Since then, however, the armies have had time to practise field manoeuvres and improve co-ordination of command and of weapon systems. There are still considerable risks, however. Any one nation will usually have some self-inflicted losses in war. With a dozen the potential is that much greater.

For instance, allied forces

will be on the lookout for Iraqi Mirage F1 fighters. France also has Mirage F1s in Saudi Arabia and Qatar. Syrian troops have Soviet-made T-54 and T-62 tanks, the same types that make up the bulk of Iraq's tank forces.

War is the domain of the unexpected. Things go wrong. This is Murphy's Law. Clausewitz knew it well.

"Everything in war is very simple," he wrote, "but the simplest thing is very difficult... Countless minor incidents... the kind you never really foresee - combine to lower the level of performance, so that one always falls far short of the intended goal."

David White

## High noon for US high tech



**SHORTLY** after President Bush ordered the virtual doubling of US forces in the Gulf, Gen Colin Powell, chairman of the Joint Chiefs of Staff, offered a glimpse of how the US would fight a desert war against Iraq.

In testimony to the House Armed Services committee on December 14, Gen Powell said he wanted to avoid the impression that the US would adopt "a cannon fodder strategy", mindlessly confronting Iraqi strengths.

"Nothing could be further from the truth. To us, every American life is precious," he said. "We will use our technological advantages in ways seen and unseen that the Iraqi Army never really dreamed of."

Gen Powell's comments underline the US military's absolute faith in technology, not just as a guarantee of victory over Iraq but as the means to ensure minimum casualties in a short, if bloody, conflict. Is this confidence misplaced?

No one should doubt the awesome firepower the Pentagon has assembled in the Gulf. But recent military engagements demonstrate that human error as well as unforeseen technological flaws can make a mockery of the best-laid plans.

When President Reagan dispatched US warplanes from the UK and from aircraft carriers to bomb the Tripoli and Benghazi areas in 1986, the long-distance mission was widely deemed a success because it intimidated Col Muammar Gaddafi at little cost to American lives. Yet the accuracy of the F-111 bombers and their laser-guided munitions fell short of the Pentagon's expectations. One F-111 was lost, seven were forced to turn back, and two failed to drop their bombs. They may even have missed their assumed target: the Libyan leader himself.

In 1988, the US Navy's much-touted electronic Aegis combat system shot down an Iranian civilian airliner with 290 people on board, mistakenly identifying the approaching Airbus as a hostile F-14 fighter. Aegis, which is designed for tracking sophisticated Soviet aircraft, was simply not suited to the crowded Strait of Hormuz.

Other examples of "stone-age" main space-age technology include the F-117A's mixed performance in Panama and the failure of the USS Stark in 1987 to identify and defend itself against an Exocet missile fired by an Iraqi pilot in the Gulf war (a supposed mistake for which Baghdad later paid \$25m compensation).

"It is easy to get carried away with high technology," says Mr Seth Carus, an analyst at the Washington Institute for Near East Policy. "However much benefit you get, it's still not always that easy to use it."

Some caution is justified, if only because much US weaponry remains untested in combat and unproven in the desert. Yet the US armed forces, gearing up for their first protracted military engagement since the Vietnam war, have not hesitated to put on trial some of the most exotic equipment in their arsenal.

Among the most eye-catching weaponry: a laser-guided artillery round costing \$30,000 a shot; "stealthy" aircraft such as the F-117A designed to avoid detection by radar; the helicopter-borne Hellfire anti-tank missile as well as the Phoenix air-to-air missile and deadly fuel air explosives (a high-density aerosol combination that can detonate with the force of a small nuclear bomb).

"The Iraqis do not really understand the destructiveness of modern conventional warfare," says Dr Loren Thompson, deputy director of national security studies at



Ready for action: a US Army helicopter pilot in night goggles

Georgetown University.

One weapon never yet used is the Multiple Launch Rocket System (MLRS) fielded by the US and British armies - although the UK was not due to have it fully in service until later this year. This has two pods of six rockets each, fired individually or in a ripple to a range of about 20 miles, each containing 644 fragmentation bomblets.

It is clear that the US Army, Navy, Marines and Air Force can muster ferocious technological power which should exploit acknowledged strengths: vastly superior night-fighting capability; superior intelligence-gathering and electronic warfare skills; a force that is almost entirely mobile; and virtually certain supremacy in the air and at sea.

The intelligence-gathering capability is particularly impressive. The US can draw on a steady stream of information about the disposition of Iraqi forces, using space satellites with five-metre resolution pictures, US Navy drones with high-definition cameras in their bellies, as well as the

**Caution is justified if only because much of the US weaponry remains unproven in the desert**

Awacs air surveillance system which can detect low-flying targets 250 miles away and high-altitude objects even further away.

Such is the quality of equipment deployed that the US ought to be able to detect not just the movement of an Iraqi armoured column, but also the fueling of an Iraqi ballistic missile.

"This gives the US a tremendous tactical advantage," explains Mr Carus. He concedes, however, that it is also possible to be overwhelmed with so much data that the risk is missing "the big picture".

The accumulation of information since August nevertheless should allow US military planners successfully to pinpoint key Iraqi installations in the first phase of an all-out aerial assault, which many believe would precede a confrontation on the ground.

In this first wave, unmanned Tomahawk cruise missiles fired from ships and possibly submarines would combine with F-117A "Stealth"

fighter-bombers to target the Iraqi Air Force's command and control network. This would deny Iraqi pilots radio contact with ground controllers tracking US warplanes, giving the Americans near instant control in the air.

Scores of F-111s and Navy A-6 Intruder bombers would then carpet-bomb Iraqi installations, using earth penetrators with delay fuses that detonate periodically after the raid has finished. Other sophisticated munitions include bombs that can crater runways and root out planes and tanks hidden in bunker-style shelters. British Tornado GR1s with JP233 weapons, containing 30 bomblets for damaging airstrips and 215 more to prevent their repair, would also be used.

Flying in support of US and British bombers would be dozens of USAF F-15 and F-16 fighters, guided by Awacs aircraft, as well as US Navy F-14 Tomcats and F-18 Hornets.

Unlike the dogfights of the past, where pilots used to "lock on" behind an enemy jet to catch the heat signals from engines, the latest Sidewinder missiles can attack from all angles at a range of 10 miles. The Sparrow, guided by radar rather than infra-red sensors, has a range of more than 30 miles and can also attack from any angle.

Mr Edward Luttwak, a military strategist at the Centre for Strategic and International Studies in Washington, predicts "tens of thousands" of sorties over a three-week period aimed at cutting off Iraq from Kuwait. "The key point is interdiction," says Mr Luttwak, who a campaign to sever all supplies and contact between Iraq and its 500,000 troops in and around Kuwait.

This kind of battering should smash the resistance of even the most resilient of foes. But no one, not even the coolly confident Gen Powell, is willing to predict an early Iraqi surrender. At some point, the US Army would have to enter the fray, whereupon US infantrymen would have to rely on the rifle and bayonet as much as laser-guided bombs to overwhelm the enemy.

The battle would then revert, at least temporarily, to an age-old test of morale, training and will-power. This is a sobering thought for those in Washington who sometimes sound as though technology alone will get the job done and play down the possible casualties of war.

Lionel Barber

## Saddam's barrier in the sand

IF NOTHING else, Iraq's army won a reputation in its eight years of fruitless war with Iran for doggedness when defending.

In Kuwait, and stretching out some miles to the west behind the Iraq-Saudi border, it has dug itself into defensive positions. Its troops nearest the front are infantry with a few tanks and armoured vehicles and very little mobility. Along the front line, sometimes a mile behind the border, sometimes six miles, sand has been bulldozed into mounds as a first barrier and a screen. They cover about half the front. Behind these are deep trenches ready to be filled with burning crude oil, then minefields and other obstacles; and behind them the infantry divisions with anti-tank and artillery positions.

There are no such first barriers on the "southern" side of the border, although the forces were ranged there in the first instance to defend against the threat of an Iraqi drive towards the Saudi oilfields. Western military commanders regard Iraqi defensive tactics as the doctrine of a past era. For several months, their armoured and engineering units have been practising how to break through the barriers.

The Iraqi strategy in preparing and constantly strengthening these elaborate defences behind the border and along the coast, right down to the beaches, is seen as being in the first instance to deter and then to delay an allied assault. But the recent redeployment of some armoured units suggests that Iraq is also bolstering its capability for counter-attack. The combination of obstacle line and counter-attacks is again based on Iraqi practice in the war with Iran, which the Iraqis exploited more successfully in the later stages.

Iraq is said to have some 590,000 troops, of uneven quality, in and around Kuwait. About 60,000 are reckoned to have arrived in the last two weeks. As a yardstick, the forces Iraq massed on the border of Kuwait to carry out the invasion in August numbered about 100,000 - seven divisions compared with 36 or 37 now in the region.

The troops have mostly been moved away from the southern sector of the Iraq-Iran border. Baghdad has avoided



The face of aggression: Saddam reviewing plans for the invasion of Kuwait

drawing heavily on its strength in the north near the borders with Syria and Turkey.

Some 22 divisions are crammed into Kuwait itself: about 350,000 men. The elite Republican Guard, which carried out the invasion and which possesses the most up-to-date equipment, has mostly been reassembled in positions straddling the northern Iraq-Kuwait border, ready to redeploy. As in the Iran-Iraq war it is being kept as a strategic reserve. But some units are understood to have been moved to join armoured formations further south.

Many of these troops have recent battle experience from the 1980-88 war with Iran - something that very few of their opponents have. They also have a numerical edge on the ground, but their opponents do not see that as a determining factor. They are counting on surprise and mobility - the factors that

gave Israel the advantage in all of its wars - and on air superiority. The Iraqi army may have experience, but not in a hostile air environment or against a fast-moving enemy.

Iraq has perhaps 700 combat aircraft, but not all are reckoned to be operational, and the quality of aircraft and aircrew is mixed. It has squadrons of some of the most sophisticated Soviet fighters and ground-attack aircraft - MiG29s and Su-24s - and well-trained pilots on its French-supplied Mirages. But its air force was very conservatively used in the conflict with Iran and is considered far from a match for the overwhelming assembly of air power ranged against it.

However, Iraq has a strong air defence network with Soviet and French surface-to-air missiles - and Kuwait's US-made Hawk missiles, if the Iraqis manage to use them - which

would be expected to inflict losses.

On the ground, invading forces would face up against some high-performance Iraqi artillery. But some western officers in Saudi Arabia believe the much-anticipated set-piece confrontation between massed tank forces - in which the current generation of US and British tanks would be put through their first test in battle - may never take place. That would depend on the extent to which Iraqi resistance crumbled under the initial air onslaught.

If the Iraqis used their tanks as static, dug-in gun platforms, however, they would be difficult to approach with aircraft and helicopters. The allies might well try to draw the armoured and mechanised units of the Republican Guard into the desert to expose them to air attack.

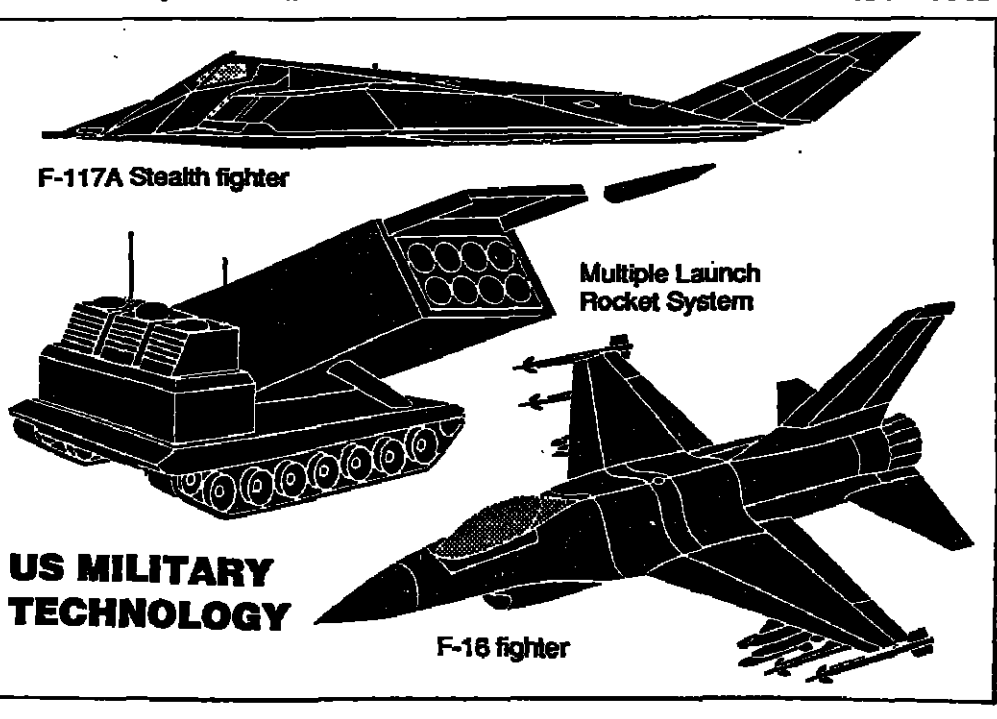
The Iraqis are spared from the kind of problem their opponents are grappling with in trying to co-ordinate a mix of different forces into a co-ordinated command structure. But they suffer from the opposite defect: a military structure so centralised that commanders have constantly to refer upwards, and in which their authority is undermined by the frequency with which President Saddam Hussein has reshuffled top military posts.

Part of allied tactics in the months of "phony war" has been to keep the Iraqis on tenterhooks, forcing them to use up finite supplies. The trade embargo has cut off sources of extra spares and supplies of some fuel ingredients are believed to have been affected. The Iraqi forces are reckoned to have reasonable stocks, but these would rapidly run out in a conflict.

The amount of Iraqi air activity has fluctuated in recent weeks, but on the whole Iraqi pilots have been training at levels well below what their western counterparts would consider normal. Despite a trickle of individual desertions, however, the state of Iraqi military morale is hard to judge. The US and its allies are counting on Iraqi soldiers having less determination to defend the territory of Kuwait than they showed defending their own.

While attention tends to focus on the technology of war, such human factors will decide the conflict's duration.

David White



US MILITARY TECHNOLOGY

F-16 fighter

مكاتب الأخبار







# ECONOMIC DIARY

**TODAY:** Czechoslovakia's ruling Civic Forum holds congress in Prague.

**TOMORROW:** National Savings results (December). Mr Douglas Hurd, foreign secretary, will pay a two-day working visit to Turkey. Presidential election in Portugal.

**MONDAY:** Retail sales (December-provisional). Producer price index numbers (December-provisional). CBI/FT survey of distributive trades (January). Quarterly analysis of bank advances (September-November). Capital issues and redemptions (December). Parliament resumes after Christmas recess. World Health Organisation executive board meets in Geneva.

**TUESDAY:** UN deadline for Iraqi forces to withdraw from Kuwait or face forcible expulsion. US retail sales (December). Mr Arthur Dunkel, director-general of GATT, convenes meeting of negotiators in effort to restart Uruguay Round trade talks following the Brussels breakdown in December.

**WEDNESDAY:** US consumer price index (December); real earnings (December); industrial production/capacity utilization (December); and business inventories (November). Mr Toshiki Kaifu, Japanese prime minister, arrives in Manila for three-day visit to the Philippines.

**THURSDAY:** Finished steel consumption and stock changes (third quarter-final). Public sector borrowing requirement (December). Labour market statistics: unemployment and unfilled vacancies (December-provisional); average earnings (December-provisional); employment, hours, productivity and unit wage costs; industrial disputes. Provisional figures of vehicle production (December). Western European Union holds two-day ministerial meeting in Paris. Mr Nikolai Portugalov, a foreign policy adviser to the Soviet president, gives address at Zurich on latest Soviet developments.

**FRIDAY:** Retail prices index and tax and price index (December). Expected date for resumption of Mozambique peace talks. Romania's ruling National Salvation Front holds convention in Bucharest.

FT-ACTUARIES SHARE INDICES														
The Financial Times Ltd 1990. Compiled by the Financial Times Ltd in conjunction with the Institute of Actuaries and the Faculty of Actuaries														
EQUITY GROUPS														
Friday January 11 1991														
Figures in parentheses show number of stocks per section														
Index No.	Day's Change	Est. Yield (%)	Gross Div. Yield (%)	Est. P/E Ratio	Adj. P/E Ratio	Index No.	Day's Change	Est. Yield (%)	Gross Div. Yield (%)	Est. P/E Ratio	Adj. P/E Ratio	Index No.	Day's Change	Est. Yield (%)
1 CAPITAL GOODS (188)	98.24	-0.4	15.21	6.81	8.02	0.00	701.04	710.63	700.97	933.20	960.80	4.1	90	13.12/74
2 Building Materials (25)	98.75	-0.2	15.17	6.44	8.11	0.00	950.77	967.74	958.54	1150.09	1188.21	3.1	90	13.12/74
3 Consumer Goods (31)	107.75	-0.1	17.04	7.29	7.62	0.00	1089.79	1089.94	1087.38	1367.16	1421.44	4.1	90	13.12/74
4 Electricals (110)	128.75	-0.3	14.28	7.07	8.21	0.00	1094.24	1094.24	1094.24	1367.16	1421.44	4.1	90	13.12/74
5 Electronics (26)	149.56	-1.0	10.68	5.74	12.48	0.00	1515.32	1524.99	1505.84	1973.59	2048.72	4.1	90	13.12/74
6 Engineering-Aerospace (8)	387.69	-0.9	17.32	6.30	6.92	0.00	391.35	400.67	394.96	478.07	502.42	13.6	90	13.12/74
7 Engineering-General (47)	355.30	-0.3	16.44	7.22	7.34	0.00	356.41	361.69	359.75	456.66	505.10	15.6	90	13.12/74
8 Metals and Metal Forming (8)	397.10	-0.1	23.01	8.57	5.37	0.00	397.49	400.26	395.35	481.33	515.57	4.1	90	13.12/74
9 Motors (13)	277.61	-1.7	17.97	8.66	6.48	0.00	282.40	287.71	280.63	389.98	401.90	4.1	90	13.12/74
10 Other Industrial Materials (20)	129.70	-0.1	13.89	6.71	8.32	0.00	129.70	129.70	129.70	157.44	174.64	3.1	90	13.12/74
11 CONSUMER GROUP (181)	1214.79	-0.3	10.05	4.29	12.34	0.00	1212.76	1224.58	1209.09	1544.45	1557.03	3.1	90	13.12/74
12 Brewers and Distillers (22)	158.44	-0.2	10.22	3.92	10.24	0.00	158.47	1604.57	1577.83	1544.45	1650.55	20.7	90	13.12/74
13 Food Manufacturing (20)	1031.05	-0.2	11.20	4.81	11.02	0.00	1033.13	1042.98	1028.53	1150.05	1184.41	3.1	90	13.12/74
14 Food Retailing (16)	2280.01	-0.9	9.69	3.29	12.48	0.00	2287.53	2288.32	2277.00	2299.12	2317.14	27.7	90	13.12/74
15 Health and Household (20)	1250.70	-0.1	10.10	4.52	12.06	0.00	1250.70	1250.70	1250.70	1574.64	1746.44	3.1	90	13.12/74
16 Hotels and Leisure (22)	1172.45	-0.2	11.89	5.81	9.92	0.00	1170.67	1185.95	1173.37	1461.08	1717.22	4.1	90	13.12/74
17 Media (25)	1206.44	-0.2	12.42	5.64	10.13	0.00	1206.44	1221.78	1207.51	1514.41	1628.68	31.2	90	13.12/74
18 Packaging and Paper (11)	515.62	-0.2	10.29	6.66	11.93	0.00	514.66	517.64	512.77	592.80	629.01	17.7	90	13.12/74
19 Chemicals (22)	710.91	-0.1	10.81	4.52	12.06	0.00	709.17	708.21	701.95	811.23	856.32	15.6	90	13.12/74
20 Textiles (11)	406.51	-0.3	14.16	8.64	6.05	0.00	407.63	407.75	403.15	542.26	554.17	4.1	90	13.12/74
21 OTHER GROUPS (112)	982.88	-0.7	13.13	6.08	9.20	0.00	989.51	998.24	982.87	1205.71	1233.52	3.1	90	13.12/74
22 Business Services (12)	993.35	-0.2	12.61	5.42	9.44	0.00	993.35	1004.01	990.75	1100.01	1194.41	3.1	90	13.12/74
23 Chemicals (22)	1033.13	-0.2	13.64	6.85	8.66	0.00	1033.13	1038.31	1027.48	1260.72	1325.30	3.1	90	13.12/74
24 Conglomerates (11)	1261.25	-0.5	11.01	8.21	8.54	0.00	1261.25	1261.25	1261.25	1574.64	1746.44	3.1	90	13.12/74
25 Transport (13)	1844.75	-0.4	14.05	5.51	8.79	0.00	1844.75	1879.24	1859.67	2377.70	2458.00	4.1	90	13.12/74
26 Electricity (12)	977.08	-0.2	12.37	7.06	9.76	0.00	977.08	1005.35	996.33	1100.01	1194.41	3.1	90	13.12/74
27 Telephone Networks (3)	1103.93	-2.2	12.12	4.58	10.73	0.00	1103.93	1103.93	1103.93	1325.30	1421.44	4.1	90	13.12/74
28 Water (10)	1542.00	-0.8	12.36	5.93	9.41	0.00	1542.00	1542.00	1542.00	1844.75	1973.59	20.7	90	13.12/74
29 Miscellaneous (26)	1017.33	-0.1	12.08	5.37	10.14	0.00	1017.33	1017.33	1017.33	1260.72	1325.30	3.1	90	13.12/74
30 FT-SE 100 SHARE INDEX	2104.1	-2.6	2124.5	2105.8	2106.7	2128.9	2099.1	2113.3	2126.1	2280.1	2463.7	3.1	90	13.12/74
31 FT-SE 100 SHARE INDEX	2104.1	-2.6	2124.5	2105.8	2106.7	2128.9	2099.1	2113.3	2126.1	2280.1	2463.7	3.1	90	13.12/74

# LONDON TRADED OPTIONS

EQUITY FUTURES were unable to hold out to early gains as the prospect of war in the Gulf continued to dominate sentiment on the London market. BP stock options were again actively traded but elsewhere, dealing was thin as investors shunned derivative markets.

FT-SE futures got off to a strong start on the back of rises posted by overseas markets and on speculation that Iraq may agree to withdraw its troops from Kuwait.

The initial optimism soon gave way to doubts about the crisis in the Gulf. But the turning point came after reports that the Soviet army had stormed the Lithuanian

state defence department. The early gains were steadily eroded as one support point after another was breached. In the absence of any clear direction equity futures were led down by the Bund and short sterling futures.

Throughout the session the futures market maintained a strong premium to the cash FT-SE index. Once again, a shortage of stock discouraged arbitrageurs from selling futures and buying stock.

As to the market's view on the likelihood of a war, the bulls and bears appeared to be evenly divided. Institutions, on the other hand, were modest buyers of the day.

futures. March FT-SE closed at 2,157, up a point on the day, while its premium to the cash market finished a point wider at 49.

Land Securities traded 7,701 lots, with the April 1990 calls the most active. Prudential was lifted by sellers of February 220 calls and May 220 calls. Sellers of Boots 300 calls and puts lifted activity. Total option turnover amounted to 21,171, down slightly on the day.

Option	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
ATA (100)	440	25	57	60	4	14	2	4	2	4	2	4	2	4
ATA (200)	550	1	11	14	40	72	2	4	2	4	2	4	2	4
ATA (300)	110	14	18	23	1	5	7	2	4	2	4	2	4	2
ATA (400)	120	5	12	17	15	12	17	15	12	17	15	12	17	15
ATA (500)	130	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (600)	140	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (700)	150	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (800)	160	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (900)	170	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1000)	180	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1100)	190	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1200)	200	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1300)	210	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1400)	220	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1500)	230	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1600)	240	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1700)	250	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1800)	260	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (1900)	270	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2000)	280	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2100)	290	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2200)	300	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2300)	310	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2400)	320	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2500)	330	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2600)	340	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2700)	350	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2800)	360	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (2900)	370	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3000)	380	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3100)	390	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3200)	400	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3300)	410	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3400)	420	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3500)	430	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3600)	440	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3700)	450	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3800)	460	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (3900)	470	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4000)	480	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4100)	490	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4200)	500	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4300)	510	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4400)	520	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4500)	530	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4600)	540	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4700)	550	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4800)	560	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (4900)	570	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5000)	580	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5100)	590	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5200)	600	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5300)	610	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5400)	620	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5500)	630	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5600)	640	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5700)	650	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5800)	660	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (5900)	670	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6000)	680	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6100)	690	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6200)	700	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6300)	710	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6400)	720	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6500)	730	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6600)	740	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6700)	750	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6800)	760	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (6900)	770	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7000)	780	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7100)	790	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7200)	800	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7300)	810	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7400)	820	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7500)	830	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7600)	840	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7700)	850	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7800)	860	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (7900)	870	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8000)	880	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8100)	890	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8200)	900	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8300)	910	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8400)	920	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8500)	930	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8600)	940	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8700)	950	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8800)	960	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (8900)	970	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9000)	980	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9100)	990	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9200)	1000	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9300)	1010	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9400)	1020	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9500)	1030	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9600)	1040	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9700)	1050	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9800)	1060	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (9900)	1070	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (10000)	1080	15	21	24	2	5	8	2	5	8	2	5	8	2

Option	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
ATA (100)	440	25	57	60	4	14	2	4	2	4	2	4	2	4
ATA (200)	550	1	11	14	40	72	2	4	2	4	2	4	2	4
ATA (300)	110	14	18	23	1	5	7	2	4	2	4	2	4	2
ATA (400)	120	5	12	17	15	12	17	15	12	17	15	12	17	15
ATA (500)	130	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (600)	140	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (700)	150	15	21	24	2	5	8	2	5	8	2	5	8	2
ATA (800)	160	15	21	24	2	5	8	2	5	8	2	5	8	2



## INTERNATIONAL COMPANIES AND FINANCE

## Financial groups may bid for Bank of New England

By Martin Dickson in New York

ABOUT eight financial groups have indicated that they might bid for all or parts of Bank of New England, the Boston-based bank that was declared insolvent last Sunday and seized by federal regulators.

This was stated yesterday by Mr. William Seidman, chairman of the Federal Deposit Insurance Corporation, which has taken control of the business and is selling off its assets. He did not rule out the possibility that a foreign bank might bid for BNE.

Two US banks - California-based BankAmerica and Ohio-headquartered Banc One - have already publicly expressed an interest in looking at BNE's assets.

Mr. Seidman, speaking in Boston, where he is holding talks on the regional banking crisis with state governors and BNE executives, said the FDIC hoped to begin accepting bids for parts of the bank in two to three months.

The FDIC was "dedicated to making the time as short as possible to get the institutions back into the private sector". He added that the odds were BNE's banking units would be sold all together, but that would depend on the market place.

Mr. Seidman said that the FDIC was working on a plan to ease New England's credit crunch by injecting money into banks with tight capital.



William Seidman: foreign bank might join bidding

## Norwegian banks agree merger

By Karen Fosli in Oslo

CHRISTIANIA BANK, Norway's second biggest bank, and Realkredit, Norway's biggest credit institution, yesterday agreed to merge in a deal which will make Realkredit a fully-owned subsidiary of the bank.

The merger, the latest to be announced by Norway's banking system, is symptomatic of the industry's scramble to strengthen operations ahead of 1992 when the Bank for International Settlements (BIS) capital adequacy requirements come into effect.

Both Christiania and

Realkredit face significant credit losses and will be in the red for 1990. Christiania earlier said that credit losses will reach Nkr2.68bn (\$470m), double that of 1989. Realkredit said yesterday that estimated credit losses for 1990 would reach Nkr5.65bn out of a total loan portfolio of Nkr34bn.

The two last September sought to merge but the deal fell through. Realkredit, which mainly specialises in mortgages and loans to industry, is a stock market listed company but will be quoted on the Oslo bourse once the deal

with Christiania is completed.

The Norwegian central bank said that it was willing to lend to Realkredit over a transitional period to meet considerable refinancing needs in 1991. It said that it considered the merger a positive contribution to the Norwegian financial sector.

Morgan Stanley and Arthur Andersen have been engaged to work out a details of the merger deal.

Den norske Bank (DnB) said DnB Corporate, a fully-owned financing company, to Pareto, a ship financing company.

## Developer achieves a majority on SAE board

By William Dawkins in Paris

A PARISIAN property developer yesterday won a partial victory in a nearly year-long battle for control at Societe Auxiliaire d'Entreprises (SAE), a leading French construction group.

Mr. Michel Pellege, with an independent, on-shareholder majority on a new enlarged SAE board, after months of argument with chairman, Mr. Jean-Claude Jammes and a group of shareholders loyal to the management.

Mr. Jammes will continue to lead the company.

SAE is not exactly in deep trouble, but its profits are uninspiring. It reported a FF202.5m (\$31m) net profit on sales of FF25.9bn in 1989.

Mr. Pellege, whose company is less than a third the size of SAE in turnover terms, bought a significant minority stake in the group last February, from Compagnie Generale d'Industrie et de Participations, the holding group for the Wendel steel family financial interests.

Last June, he struck a truce with SAE to stick at 20 per cent in exchange for three board seats.

But this broke down a few months later, and Mr. Pellege scooped up more SAE stock as the share price fell during the autumn.

Since then, he has built up a 33 per cent shareholding, with the help of the Credit Lyonnais state-controlled bank, which makes Mr. Pellege the largest single shareholder.

That is a fraction short of the one-third ownership at which he would be obliged to mount a full bid, under French takeover rules which came into effect in September 1989.

What made Mr. Pellege's hand even stronger was last month's decision by Odeis, Spain's sixth largest construction company, to sell 15 per cent of the shares to draw its participation in the Jammes camp loyal to SAE's existing management.

Mr. Jammes and his allies, including Paribas, the leading investment bank, Foulgoules, a medium-sized French construction group, and SAE staff, reckon to control at least 28 per cent of the voting rights.

Odeis has sworn before the Commission des Operations de Bourse, the French stock market watchdog, that even if it is no longer part of the Jammes alliance, it has no special agreements with Mr. Pellege.

If the COB found they were acting in concert, it could force Mr. Pellege and Odeis to make a full bid.

Neither could easily afford to pay the price for full control.

## Pan Am receives \$50m injection

PAN AM, the US airline which filed for protection on Tuesday, yesterday received a much-needed cash infusion of \$50m. This is the first tranche of a \$150m loan by United Airlines, one of the two largest US carriers, and Bankers Trust, writes Nikki Tait in New York.

Pan Am only gained access to the money after a lengthy hearing in the Manhattan bankruptcy courts on Thursday evening.

The loan was conditional on the bank-

ruptcy court judge approving Pan Am's proposed sale of its London routes to United Airlines for \$290m - a decision he finally made shortly before 10pm.

The path is now cleared for talks at the beginning of next week between the UK and US authorities over the vexed question of whether the two US carriers, Pan Am and TransWorld Airlines, will be able to transfer their London route rights.

The Pan Am-United deal, which has tentative approval from the US Transport-

Department, is dependent on the UK authorities' agreeing to this. TWA also wants to sell its London routes to American Airlines for \$445m, with a similar transfer.

Making his ruling after strong protests from some creditors, the bankruptcy court judge said he was "somewhat uncomfortable" with the speed at which his decision was required, but that the "confidence factor" among the ticket-buying public had to be taken into account.

## First hurdle crossed to route sale

Nikki Tait looks at the airline's bumpy ride to much-needed cash

At 9.40 on Thursday night, a barely-muffled cheer went up around the Manhattan courtroom of Judge Cornelius Blackshear. In a statement which was as short as the preceding hearing had been long, the bankruptcy court judge approved Pan Am's plan to sell its Heathrow routes to Chicago-based United Air Lines for \$290m.

In doing so, he cleared the key condition to a \$150m interim loan from United and US investment bank, Bankers Trust.

And that, in turn, ensured that the cash-starved carrier - which had only filed for protection from creditors under Chapter 11 of the Bankruptcy Code on Tuesday - could receive the first \$50m tranche immediately.

Relief in the Pan Am ranks was palpable. Mr. Jonathan O'Herron, the Lazard Freres banker who had negotiated the loan, hugged one colleague. A buzz of Pan Am employees chattered happily in the corridors.

Certainly, if Thursday night's testimony was accurate, this had been a brinkmanship of a fine order by the international carrier. How long could Pan Am last without a cash infusion, Mr. O'Herron was asked. A day or two, he replied the banker quipped. Pan Am's assistant treasurer, Ms. Joan Fabio, flushed out a few details.

The company's cash, which had totalled \$33m when it filed for Chapter 11, had slipped to \$27m by Wednesday night. Money flowing in - normally \$45m to \$50m a week - was falling short.

American Express had been expected to pay \$5m on Wednesday but had withheld



Cosier times: bed and breakfast at 25,000ft in the 1980s

in at least some of the transatlantic routes, while Carl Kahn's Trans World Airlines, which had mooted taking over Pan Am, maintained that it offered interim financing of \$75m last week.

Even some employees, led by the Airline Pilots Association, chipped in, saying that West Coast investor, Kirk Kerkorian, was interested in making a bid. This appeared to be a re-run of an earlier suggested employee initiative back in 1987.

But Judge Blackshear never seemed impressed. "What happened to everyone after October?" he remarked at one point, referring to the date when the United deal was first announced.

There is no doubt that his eventual ruling gives critical breathing space to the airline. But its problems are anything but over.

Much now rests with next week's talks between the UK and US authorities on the bilateral agreement which currently makes it impossible for Pan Am to transfer automatically its access to Heathrow airport. Without this facility, the \$290m United deal dies.

Although that money, coupled with possible sale proceeds from Pan Am's east coast shuttle, could see the carrier through to the point where seasonal traffic revives, there is still a huge questionmark over how Pan Am eventually sorts out its finances.

The Middle East crisis, meanwhile, casts a long shadow over fuel costs, an airline's second largest cost. In short, it will be long time yet before Pan Am's management unfurls its collective safety-belt.

## FAI unable to explain decline in share price

By Kevin Brown in Sydney

FAI Insurance yesterday told the Australian Stock Exchange (ASX) it could not explain a fall in its share price from A\$1.00 on Monday to 83 cents on Thursday.

Mr. Rodney Adler, chief executive, said the reason for the price fall was probably the general fall in the market and the possibility of war in the Gulf.

Mr. Adler was responding to a query from the ASX asking whether the FAI board could explain the fluctuation. Mr. Adler said FAI's interim results were expected to be released in February or March, but no other announcements were pending.

He asked the exchange not to release his response because it would not further inform the market and is merely likely to create confusion and unnecessary speculation.

However, the ASX followed its normal procedure in releasing the response.

## Banesto expected to make Pta23bn profit

By Tom Burns in Madrid

CORPORACION BANESTO, the big Spanish industrial group in which Germany's Dresdner Bank recently taken a 5 per cent stake, is expected to turn in a profit of Pta23bn (\$377m) for 1990, according to officials at Banco Espanol de Credito (Banesto), the Corporation's controlling shareholder.

This is the first profits indication from the Corporation which was formed last year.

Banesto group officials said that for Banesto group as a whole its consolidated statement would show profits of Pta34bn.

Mr. Arturo Romani, chief executive of Corporacion Banesto, said in an interview with the Financial Times that all the companies in the Corporation were "making money".

He stressed that because of

this, and according to the guidelines of EC directives and international accounting standards, the Corporation was not obliged to make provisions for the fall in the market share of the companies that it controls.

The price of the underlying shares that make up the companies within the Corporation have fallen faster than the Madrid stock market index in the wake of the Gulf crisis.

The conglomerate's industrial holdings are now worth some Pta55bn less than book value.

Following the sale to Dresdner bank, Banesto has reduced its stake in the Corporation from 85 to 80 per cent.

Mr. Romani said other offers for blocks of equity in the holding were being studied.

He said, however, that there was "no urgency" to sell.

## Whirlpool sets aside \$56m to cover restructuring

By Nikki Tait

WHIRLPOOL, the world's largest manufacturer of home appliances, said yesterday that it planned to set aside \$56m to cover the costs of reorganising its refrigeration business.

The provision, given at the pre-tax level, will dent the group's earnings per share by around 60 cents.

Analysts have been predicting earnings of around \$2 a share, excluding the one-off \$56m share benefit which Whirlpool enjoyed after selling certain assets to Matsushita of Japan in July. In the first nine months, again excluding this benefit, the company made \$1.49 a share. Yesterday, its

shares eased 4 to \$22.

Whirlpool explained that it planned to close its operations in Fort Credit, Ontario, where 350 people are employed, by the first quarter of 1992, and consolidate production of nearly all its North American "top and bottom mount" refrigeration models in Indiana. This

will create about 800 jobs there.

In addition, some products which were to have been made in Indiana and operations at an Arkansas factory will also be refocused, where around 500 jobs will be lost in 1992 as manufacturing moves to Indiana.

## WORLD COMMODITIES PRICES

WEEKLY PRICE CHANGES	Latest price	Change on week ago	Year ago	High 1990/91	Low 1990/91
Gold per troy oz.	\$391.15	+3.65	\$417.75	\$420.25	\$345.75
Silver per troy oz.	\$217.85	+1.75	\$20.50	\$23.50	\$20.15
Aluminium 99.7% (cash)	\$182.35	-38.5	\$158.00	\$227.5	\$138.00
Copper Grade A (cash)	\$178.10	-21.5	\$142.5	\$178.10	\$124.10
Nickel (cash)	\$37.70	+0.5	\$42.25	\$79.00	\$31.55
Lead (cash)	\$37.75	+1.25	\$37.25	\$119.75	\$30.75
Zinc 99.99% (cash)	\$125.50	-21.5	\$142.5	\$178.10	\$124.10
Tin (cash)	\$565.00	-80	\$660.00	\$720.00	\$547.50
Cocoa Futures (May)	\$713	+23	\$595	\$597	\$622
Coffee Futures (Mar)	\$52.5	-0.5	\$52.5	\$52.5	\$52.5
Sugar (LDP Mar)	\$222.4	-7.5	\$245.0	\$288.4	\$222.4
Barley Futures (Mar)	\$114.60	-3.40	\$112.85	\$124.45	\$103.45
Wheat Futures (Mar)	\$124.85	-1.85	\$118.35	\$124.20	\$111.00
Cotton Outlook A Index	\$52.55	-0.5	\$52.55	\$52.55	\$52.55
Oil (Brent Blend)	\$26.05	-2.15	\$27.25	\$36.75	\$15.75

## London Markets

SPOT MARKETS	Latest price	Change on week ago
Crude oil (per barrel FOB)	27.95	+0.05
Crude oil (per barrel CIF)	28.10	+0.05
Brent Blend (dated)	27.95	+0.05
Brent Blend (February)	28.00	+0.05
WTI (per barrel)	27.95	+0.05

Oil products	Latest price	Change on week ago
Premium Gasoline	\$27.95	+0.05
Gas Oil	\$27.95	+0.05
Heavy Fuel Oil	\$27.95	+0.05
Crude Oil	\$27.95	+0.05
Petroleum Argus Estimates	\$27.95	+0.05

Other	Latest price	Change on week ago
Gold (per troy oz.)	\$391.15	+3.65
Silver (per troy oz.)	\$217.85	+1.75
Palladium (per troy oz.)	\$565.00	-80
Aluminium (free market)	\$182.35	-38.5
Copper (US Producer)	\$178.10	-21.5
Nickel (free market)	\$37.70	+0.5
Tin (Kuala Lumpur market)	\$565.00	-80
Tin (New York)	\$565.00	-80
Zinc (US Prime Western)	\$125.50	-21.5

Crude oil	Latest price	Change on week ago
Crude oil (per barrel FOB)	27.95	+0.05
Crude oil (per barrel CIF)	28.10	+0.05
Brent Blend (dated)	27.95	+0.05
Brent Blend (February)	28.00	+0.05
WTI (per barrel)	27.95	+0.05

Oil products	Latest price	Change on week ago
Premium Gasoline	\$27.95	+0.05
Gas Oil	\$27.95	+0.05
Heavy Fuel Oil	\$27.95	+0.05
Crude Oil	\$27.95	+0.05
Petroleum Argus Estimates	\$27.95	+0.05

Other	Latest price	Change on week ago
Gold (per troy oz.)	\$391.15	+3.65
Silver (per troy oz.)	\$217.85	+1.75
Palladium (per troy oz.)	\$565.00	-80
Aluminium (free market)	\$182.35	-38.5
Copper (US Producer)	\$178.10	-21.5
Nickel (free market)	\$37.70	+0.5
Tin (Kuala Lumpur market)	\$565.00	-80
Tin (New York)	\$565.00	-80
Zinc (US Prime Western)	\$125.50	-21.5

Crude oil	Latest price	Change on week ago
Crude oil (per barrel FOB)	27.95	+0.05
Crude oil (per barrel CIF)	28.10	+0.05
Brent Blend (dated)	27.95	+0.05
Brent Blend (February)	28.00	+0.05
WTI (per barrel)	27.95	+0.05

Oil products	Latest price	Change on week ago
Premium Gasoline	\$27.95	+0.05
Gas Oil	\$27.95	+0.05
Heavy Fuel Oil	\$27.95	+0.05
Crude Oil	\$27.95	+0.05
Petroleum Argus Estimates	\$27.95	+0.05

COCOA - London F&O	Close	Previous	High/Low
Mar	680	681	682/683
May	713	713	713/713
Jul	742	742	742/742
Sep	768	768	768/768
Dec	797	797	797/797
Mar	823	823	823/823

COFFEE - London F&O	Close	Previous	High/Low
Mar	602	602	602/602
May	602	602	602/602
Jul	602	602	602/602
Sep	602	602	602/602
Dec	602	602	602/602
Mar	602	602	602/602

POTATOES - London F&O	Close	Previous	High/Low
Feb	90.0	90.0	90.0/90.0
Apr	128.0	128.0	128.0/128.0
Jun	142.0	142.0	142.0/142.0
Aug	160.0	160.0	160.0/160.0
Oct	180.0	180.0	180.0/180.0
Dec	190.0	190.0	190.0/190.0

SOYABEAN - London F&O	Close	Previous	High/Low
Mar	112.0	112.0	112.0/112.0
May	114.0	114.0	114.0/114.0
Jul	116.0	116.0	116.0/116.0
Sep	118.0	118.0	118.0/118.0
Nov	120.0	120.0	120.0/120.0
Jan	122.0	122.0	122.0/122.0

CRUDE OIL - LME	Close	Previous	High/Low
Mar	28.10	28.10	28.10/28.10
May	28.10	28.10	28.10/28.10
Jul	28.10	28.10	28.10/28.10
Sep	28.10	28.10	28.10/28.10
Nov	28.10	28.10	28.10/28.10
Jan	28.10	28.10	28.10/28.10

WHEAT - London F&O	Close	Previous	High/Low
Mar	140.0	140.0	140.0/140.0
May	142.0	142.0	142.0/142.0
Jul	144.0	144.0	144.0/144.0
Sep	146.0	146.0	146.0/146.0
Nov	148.0	148.0	148.0/148.0
Jan	150.0	150.0	150.0/150.0

BARLEY - London F&O	Close	Previous	High/Low
Mar	112.0	112.0	112.0/112.0
May	114.0	114.0	114.0/114.0
Jul	116.0	116.0	116.0/116.0
Sep	118.0	118.0	118.0/118.0
Nov	120.0	120.0	120.0/120.0
Jan	122.0	122.0	122.0/122.0

GRAPES - London F&O	Close	Previous	High/Low
Mar	121.0	121.0	121.0/121.0
May	123.0	123.0	123.0/123.0
Jul	125.0	125.0	125.0/125.0
Sep	127.0	127.0	127.0/127.0
Nov	129.0	129.0	129.0/129.0
Jan	131.0	131.0	131.0/131.0

PEAS - London F&O	Close	Previous	High/Low
Mar	112.0	112.0	112.0/112.0
May	114.0	114.0	114.0/114.0
Jul	116.0	116.0	116.0/116.0
Sep	118.0	118.0	118.0/118.0
Nov	120.0	120.0	120.0/120.0
Jan	122.0	122.0	122.0/122.0

Barley	Close	Previous	High/Low
Jan	112.00		112.10 112.00
Mar	114.60	115.40	115.00 114.50
May	116.00	117.00	116.00 118.60

Turnover: Wheat 346 (267), Barley 210 (63).  
Turnover lots of 100 tonnes.

LONDON METAL EXCHANGE	Close	Previous	High/Low
Aluminium 99.7% (per tonne)	1524	1524	1524/1524
Copper 99.99% (per tonne)	1524	1524	1524/1524
Gold 999.9 (per ounce)	1524	1524	1524/1524
Lead 99.99% (per tonne)	1524	1524	1524/1524
Nickel 99.99% (per tonne)	1524	1524	1524/1524
Platinum 999.9 (per ounce)	1524	1524	1524/1524

COFFEE - London F&O	Close	Previous	High/Low
Mar	602	602	602/602
May	602	602	602/602
Jul	602	602	602/602
Sep	602	602	602/602
Nov	602	602	602/602
Jan	602	602	602/602

POTATOES - London F&O	Close	Previous	High/Low
Feb	90.0	90.0	90.0/90.0
Apr	128.0	128.0	128.0/128.0
Jun	142.0	142.0	142.0/142.0
Aug	160.0	160.0	160.0/160.0



## CURRENCIES, MONEY AND CAPITAL MARKETS

## FOREIGN EXCHANGES

## Swiss franc meets demand

THE SWISS franc met with increased demand yesterday, on the attraction of traditional Swiss neutrality, fairly high Zurich interest rates and a highly developed banking system, at a time of acute nervousness about the situation in the Gulf and signs of increasing unrest in the Soviet Union.

The Swiss National Bank has decided not to drain liquidity, despite comfortable conditions at present, leaving commercial banks with sight deposit holdings at Sfr3.4bn, which are above the central bank's target of Sfr3.0bn.

In Zurich, the authorities stressed that this was not a move to ease monetary policy, but was intended to stabilise rates which are already relatively high. The central bank has said it will not ease its monetary stance until inflation is lower.

Figures released yesterday showed a year-on-year rise of 5.3 per cent in December compared with 4.8 per cent in November.

At the London close, the Swiss franc was firmer against most major currencies, including the dollar, sterling and the D-Mark. News that Soviet troops had taken action against demonstrators in the Baltic republic of Lithuania weighed on the D-Mark. The Swiss franc rose to DM1.1975 from DM1.1895.

Events in the Soviet Union added to the depressing influence on the D-Mark of the cost of German unification, amid fears that this will involve heavy government borrowing. The weaker D-Mark helped to keep pressure on the European Monetary System. Sterling was slightly above the French franc, with the French currency remaining the weakest member of the EMS exchange rate mechanism.

Sterling rose to DM2.9225 from DM2.9200 and to FF9.9175 from FF9.9025. The pound showed mixed changes against currencies outside the ERM, rising 10 points to \$1.9070, but falling to Sfr2.4400 from Sfr2.4550. On Bank of England figures its index fell 0.1 to 93.8.

The dollar was little changed in the weekend trading ahead of the weekend and the approaching United Nations deadline for Iraqi withdrawal from Kuwait. This left dealers reluctant to create new positions. An uncompromising speech by Iraqi President Saddam Hussein in Baghdad did nothing to increase hopes of a peaceful solution to the Gulf crisis.

In London the dollar rose to DM1.5325 from DM1.5315 and to FF13.3000 from FF13.2950, but fell to Sfr1.2795 from Sfr1.2875 and to Y134.20 from Y134.55. The US currency's index was unchanged at 61.8.

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## FINANCIAL FUTURES AND OPTIONS

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## FINANCIAL FUTURES AND OPTIONS

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## MONEY MARKET FUNDS

## Money Market Trust Funds

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## 2 IN NEW YORK

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## EUROPEAN CURRENCY UNIT RATES

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## EUROPEAN CURRENCY UNIT RATES

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## EUROPEAN CURRENCY UNIT RATES

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## EUROPEAN CURRENCY UNIT RATES

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## EUROPEAN CURRENCY UNIT RATES

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

## EUROPEAN CURRENCY UNIT RATES

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173

Estimated volume total, Cals 321 Pals 221  
Previous day's open, Cals 325 Pals 173



## LONDON STOCK EXCHANGE: Dealings

Details of business done shown below have been taken from consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Tailsman system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealings.

For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.

Rules 53(2) and Third Market stocks are not regulated by the International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd.

\* Bargains at special prices. \* Bargains done the previous day.

## British Funds, etc

No. of bargains included 2790

Treasury 10% 2003 A - 298% 1/2

Equity 10% 2003 A - 210% 1/2

Guaranteed Export Finance Corp PLC 12% 2003 A - 210% 1/2

## Corporation and County

Green London County Council 11% 2003 A - 232% 1/2

Birmingham District Council 11% 2003 A - 232% 1/2

Westminster City Council 11% 2003 A - 232% 1/2

London County Council 11% 2003 A - 232% 1/2

London County Council 11% 2003 A - 232% 1/2

## UK Public Boards

Agri-Food PLC 10% 2003 A - 232% 1/2

Agri-Food PLC 10% 2003 A - 232% 1/2

Agri-Food PLC 10% 2003 A - 232% 1/2

Agri-Food PLC 10% 2003 A - 232% 1/2

Agri-Food PLC 10% 2003 A - 232% 1/2

## Foreign Stocks, Bonds, etc

(coupons payable in London) No. of bargains included 29

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

ASDA Group PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1/2

British Airways PLC 10% 2003 A - 232% 1



## Equities close on an unsettled note

Shearson Lehman Brothers took a slightly less optimistic view, believing that the stock markets may not have fully discounted war, if it comes. It suggests lightening holdings generally, but recommends utilities, drinks and drug stocks.

## Glaxo up on Losec report

[illegible]

British Gas and BP where respective turnovers topped the 6m-mark. Gas dipped 3 to 2289 on 6.7m owing to switching into the two majors, BP and Shell. BP were pushed up 4 to 321p on 6.6m as institutions increased their weightings to accommodate a steep upturn in crude oil prices in the event of an sudden eruption of war in the Gulf. Shell 3, higher at 444p mirrored this

GOVERNMENT BONDS				
Price	Change	Yield	Week ago	Month ago
101-31	-4/32	11.48	11.40	11.34

brought realists back to 222p. County NatWest believes the figures should be "reasonably good" but warned that expectations for 1991-1992 may still prove too high because of deepening recession in the US, which accounts for some 65 per cent of group profits. The company could also be exposed to a weak dollar, added County, and there is a high risk of further downgrades, even from those of us currently forecasting profits for that year of

## Trade overshadowed by war fears

Hugh Clark, Mr Francis Kirkpatrick, Mr Christopher Harding and Mr Deane Tennick as assistant directors.

Mr Andrew Price has been appointed financial director of PHADON PRESS, art publishers of Oxford. He was financial director of Haima subsidiary Apollo.

The strongest London commodity market this week was the Baltic International Freight Futures Market, which was responding both to the war threat and to the prospect of substantial charterings to ship grain from the US to the Soviet Union. The February position rose the 50 point daily limit on Tuesday and Thursday - falling 35 points on the intervening Wednesday - and



**FIDELITY INVESTMENT SERVICES** has appointed Mr. Abraham Barker (*pictured*) as executive director, new business development. He was managing director, retail business, at Rothschild Asset Management, and chairman of Rothschild Asset Management (I) in Guernsey.

0289 137 



**Abbey Unit Tst Wgtrs (1000)H** 0345 717373  
80 Holdenhurst Rd, Boornemouth

High Income

American Income	6	39.31	39.80	42.53	+0.13	6.47
Gifts & Fnd Int	6	111.0	111.00	117.8	+0.4	0.76
Equity	6	114.3	117.00	125.1	+0.2	0.08

**Guide to pricing of Authorised Unit Trusts**  
Compiled with the assistance of Lantoro 55

[illegible][illegible]

هكذا من الأهل



● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

for  
sem  
the  
hat  
ely  
the  
my  
bly  
the  
sha  
nes

---

bu  
this  
see  
ing

1 as  
the  
usis  
ving  
ught  
after  
for  
y is  
oim  
sem  
hey  
rom  
ook  
fax

o  
unt  
r i  
age  
: on

bb

Continued on next page



Al  
III

هكذا من الأهل



## FT MANAGED FUNDS SERVICE

Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

UK Price				US Price				Yield			
Code	Name	Price	Change	Code	Name	Price	Change	Code	Name	Price	Change
<b>IRELAND (SIB RECOGNISED)</b>											
101	Capital Growth Fund	10.10	+0.05	101	Capital Growth Fund	10.10	+0.05	101	Capital Growth Fund	10.10	+0.05
102	Capital Growth Fund	10.10	+0.05	102	Capital Growth Fund	10.10	+0.05	102	Capital Growth Fund	10.10	+0.05
<b>IRELAND (REGULATED)</b>											
103	Capital Growth Fund	10.10	+0.05	103	Capital Growth Fund	10.10	+0.05	103	Capital Growth Fund	10.10	+0.05
104	Capital Growth Fund	10.10	+0.05	104	Capital Growth Fund	10.10	+0.05	104	Capital Growth Fund	10.10	+0.05
<b>ISLE OF MAN (SIB RECOGNISED)</b>											
105	Capital Growth Fund	10.10	+0.05	105	Capital Growth Fund	10.10	+0.05	105	Capital Growth Fund	10.10	+0.05
106	Capital Growth Fund	10.10	+0.05	106	Capital Growth Fund	10.10	+0.05	106	Capital Growth Fund	10.10	+0.05
<b>ISLE OF MAN (REGULATED)</b>											
107	Capital Growth Fund	10.10	+0.05	107	Capital Growth Fund	10.10	+0.05	107	Capital Growth Fund	10.10	+0.05
108	Capital Growth Fund	10.10	+0.05	108	Capital Growth Fund	10.10	+0.05	108	Capital Growth Fund	10.10	+0.05
<b>JERSEY (SIB RECOGNISED)</b>											
109	Capital Growth Fund	10.10	+0.05	109	Capital Growth Fund	10.10	+0.05	109	Capital Growth Fund	10.10	+0.05
110	Capital Growth Fund	10.10	+0.05	110	Capital Growth Fund	10.10	+0.05	110	Capital Growth Fund	10.10	+0.05
<b>JERSEY (REGULATED)</b>											
111	Capital Growth Fund	10.10	+0.05	111	Capital Growth Fund	10.10	+0.05	111	Capital Growth Fund	10.10	+0.05
112	Capital Growth Fund	10.10	+0.05	112	Capital Growth Fund	10.10	+0.05	112	Capital Growth Fund	10.10	+0.05
<b>LUXEMBOURG (SIB RECOGNISED)</b>											
113	Capital Growth Fund	10.10	+0.05	113	Capital Growth Fund	10.10	+0.05	113	Capital Growth Fund	10.10	+0.05
114	Capital Growth Fund	10.10	+0.05	114	Capital Growth Fund	10.10	+0.05	114	Capital Growth Fund	10.10	+0.05
<b>LUXEMBOURG (REGULATED)</b>											
115	Capital Growth Fund	10.10	+0.05	115	Capital Growth Fund	10.10	+0.05	115	Capital Growth Fund	10.10	+0.05
116	Capital Growth Fund	10.10	+0.05	116	Capital Growth Fund	10.10	+0.05	116	Capital Growth Fund	10.10	+0.05
<b>SWITZERLAND (SIB RECOGNISED)</b>											
117	Capital Growth Fund	10.10	+0.05	117	Capital Growth Fund	10.10	+0.05	117	Capital Growth Fund	10.10	+0.05
118	Capital Growth Fund	10.10	+0.05	118	Capital Growth Fund	10.10	+0.05	118	Capital Growth Fund	10.10	+0.05
<b>OTHER OFFSHORE FUNDS</b>											
119	Capital Growth Fund	10.10	+0.05	119	Capital Growth Fund	10.10	+0.05	119	Capital Growth Fund	10.10	+0.05
120	Capital Growth Fund	10.10	+0.05	120	Capital Growth Fund	10.10	+0.05	120	Capital Growth Fund	10.10	+0.05

مكتبات الأصيل







## WORLD STOCK MARKETS

## AMERICA

## Snowstorm ousts Gulf as main block on trading

## Wall Street

THE GULF crisis temporarily took a back seat to the forces of nature yesterday morning, with a snowstorm keeping players away from Wall Street as US equities traded in a narrow mixed range in moribund trading, writes Karen Zagor in New York.

The Dow Jones Industrial Average briefly crossed the 2,500 line at 10.10 but seemed unable to find support at that level and immediately turned lower. At 1.30 pm, it was quoted at 2,492.08, down 6.68. On Thursday, the Dow had gained 26.46 to 2,498.76.

Volume was exceptionally light on the New York Stock Exchange, with only 80m shares changing hands. Although declining issues had only a very slim edge on those advancing, the fundamentals for the stock market remained negative, given the recession and threat of impending war.

Baker Hughes and Smith International moved lower in heavy trading on reports that the companies had been subpoenaed by a Grand Jury which is investigating alleged price-fixing by rock drill bits. Baker Hughes fell 1 1/4 to \$21.50 and Smith International dropped 5/8 to \$12 1/4.

Shares in Dresser Industries, which has also been subpoenaed over drill bit pricing from 1985, rose 3/4 to \$19 1/4 after falling 1/2 on Thursday. Pan Am was one of the most active stocks of the morning, adding 1/4 to \$8. The issue has been active all week, following the company's Chapter 11 filing for bankruptcy protection on Tuesday.

In the wake of the filing, the issue will be removed from the 20-stock Dow Jones Transportation Average on Monday and replaced by Roadway Services. Pan Am has been part of the transportation average since 1970, when the index was changed to include a wider range of stocks after being composed solely of railroad company stocks.

Among other featured issues, Battle Mountain Gold slid 1/4

to 37 1/2 after a delayed opening on the news that a change in accounting methods would result in a one-time non-cash charge, reducing 1990 earnings by \$36m or 46 cents a share. In 1989, the Houston-based company had net income of \$26.4m or 40 cents a share.

In the banking sector, a number of issues moved lower. Citicorp fell 1/4 to \$10 1/4 and Bankers Trust eased 1/4 to \$42 1/4.

The secondary market, Lin Broadcasting plunged 5/8 to \$54 after an analyst at Bear Stearns reiterated an "avoid" rating on the issue. Shares in McCaw Cellular Communications, which holds a 52 per cent stake in Lin, held steady at \$17 1/4.

## Canada

WORRIES ABOUT next week's deadline for Iraq to withdraw from Kuwait kept investors on the sidelines by mid-session yesterday, as Toronto stocks declined.

The composite index tumbled 11.0 to 8,185.9. Declines led advances by 205 to 150 on volume of 9m shares.

"All basic sectors have been adversely affected by the Middle East and the recession," said Mr Ira Katzin, an analyst with Richardson Greenfields of Canada.

Laidlaw class B shares fell 3/4 to \$20.00 on profit-taking, one day after climbing 1/4 after its results.

Among active traders, BCE Inc fell 1/4 to \$39.90 and Nova slipped 1/4 to \$38.90.

## SOUTH AFRICA

JOHANNESBURG eased on Gulf concerns yesterday, while a stronger financial rand also weighed on prices. The all-gold index fell 9 to 1,306 and the industrial index slipped 10 to 2,912. In the gold sector, Vaal Reefs fell 13 to \$225.

## Institutions bide time as competition for money grows

Volume has not yet improved and analysts warn of further selling in March, writes Robert Thomson

AFTER their severe punishment in 1990, Japanese financial markets are looking to any positive sign, any rumour, no matter how flimsy, to turn attention away from the potentially disastrous impact of a Gulf war.

The stock market has risen for the past three days, and a bullish bond market has already discounted a peaceful settlement and a hoped-for one percentage point fall in the Official Discount Rate (ODR): the benchmark 10-year bond yesterday closed on a yield of 8.85 per cent, a meagre 80 basis points above the ODR.

Even Japanese brokers have admitted war as a possibility are telling clients that an expected initial fall in the equity market will provide a great buying opportunity.

But where there is optimism, there is still very little money. Volume so far this year has averaged 216m shares a day, continuing the sluggishness of last year's trading which brokers had hoped to leave behind with the coming of a new year.

Japanese institutions have yet to return to the market. In the year to March 1990, the net increase in book value of financial institutions' stock holdings was still intense, and is unlikely

to ease unless the Bank of Japan decides that the threat of inflation has passed, and that the economy would benefit from a cut in the ODR. If war erupts, and oil prices surge, inflationary pressures will increase in Japan, and the

market, regardless of the Gulf, is that there is no money around. He says that an enduring recovery of the stock market is unlikely even if the conflict is resolved peacefully, and that the market remains trapped under its own weight.

There is concern that the close of the financial year in March will bring heavy selling of stocks as institutions attempt to make the books look a little better in what has been a particularly tough year. Corporations could also be tempted to reduce their exposure in underperforming investment funds.

Higher interest rates over the past year and the end of easy capital on the stock market have increased competition for money in Japan. Insurers are providing subordinated debt to the government, and about their capital adequacy ratios, instead of using the money to buy new shares.

The competition for money is still intense, and is unlikely

to ease unless the Bank of Japan decides that the threat of inflation has passed, and that the economy would benefit from a cut in the ODR. If war erupts, and oil prices surge, inflationary pressures will increase in Japan, and the

market, regardless of the Gulf, is that there is no money around. He says that an enduring recovery of the stock market is unlikely even if the conflict is resolved peacefully, and that the market remains trapped under its own weight.

There is concern that the close of the financial year in March will bring heavy selling of stocks as institutions attempt to make the books look a little better in what has been a particularly tough year. Corporations could also be tempted to reduce their exposure in underperforming investment funds.

Higher interest rates over the past year and the end of easy capital on the stock market have increased competition for money in Japan. Insurers are providing subordinated debt to the government, and about their capital adequacy ratios, instead of using the money to buy new shares.

The competition for money is still intense, and is unlikely

to ease unless the Bank of Japan decides that the threat of inflation has passed, and that the economy would benefit from a cut in the ODR. If war erupts, and oil prices surge, inflationary pressures will increase in Japan, and the

market, regardless of the Gulf, is that there is no money around. He says that an enduring recovery of the stock market is unlikely even if the conflict is resolved peacefully, and that the market remains trapped under its own weight.

There is concern that the close of the financial year in March will bring heavy selling of stocks as institutions attempt to make the books look a little better in what has been a particularly tough year. Corporations could also be tempted to reduce their exposure in underperforming investment funds.

Higher interest rates over the past year and the end of easy capital on the stock market have increased competition for money in Japan. Insurers are providing subordinated debt to the government, and about their capital adequacy ratios, instead of using the money to buy new shares.

The competition for money is still intense, and is unlikely

to ease unless the Bank of Japan decides that the threat of inflation has passed, and that the economy would benefit from a cut in the ODR. If war erupts, and oil prices surge, inflationary pressures will increase in Japan, and the

market, regardless of the Gulf, is that there is no money around. He says that an enduring recovery of the stock market is unlikely even if the conflict is resolved peacefully, and that the market remains trapped under its own weight.

There is concern that the close of the financial year in March will bring heavy selling of stocks as institutions attempt to make the books look a little better in what has been a particularly tough year. Corporations could also be tempted to reduce their exposure in underperforming investment funds.

Higher interest rates over the past year and the end of easy capital on the stock market have increased competition for money in Japan. Insurers are providing subordinated debt to the government, and about their capital adequacy ratios, instead of using the money to buy new shares.

The competition for money is still intense, and is unlikely

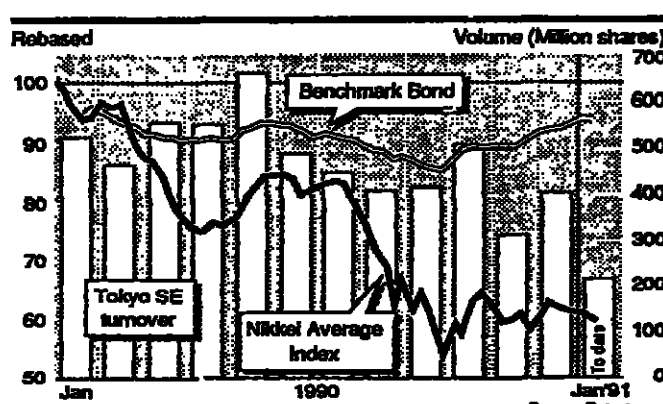
to ease unless the Bank of Japan decides that the threat of inflation has passed, and that the economy would benefit from a cut in the ODR. If war erupts, and oil prices surge, inflationary pressures will increase in Japan, and the

market, regardless of the Gulf, is that there is no money around. He says that an enduring recovery of the stock market is unlikely even if the conflict is resolved peacefully, and that the market remains trapped under its own weight.

There is concern that the close of the financial year in March will bring heavy selling of stocks as institutions attempt to make the books look a little better in what has been a particularly tough year. Corporations could also be tempted to reduce their exposure in underperforming investment funds.

Higher interest rates over the past year and the end of easy capital on the stock market have increased competition for money in Japan. Insurers are providing subordinated debt to the government, and about their capital adequacy ratios, instead of using the money to buy new shares.

The competition for money is still intense, and is unlikely



expected ODR reduction may not happen.

But Mr Philip Dodds, head of research at S.G. Warburg Securities, is confident that the Nikkei index, which closed yesterday at 23,241.02, could rise to 27,000 over the next few months with encouragement from an improving interest

next year," Mr Dodds says.

Expectations will change depending on whether war breaks out and the nature of that war, but Japanese brokers are confident that war, or not, the economy is in a better position than most to cope with the situation. They argue that the equity market is 25 per cent

down since the day of the Kuwait invasion, and that all but the most dire predictions have been discounted.

A sharp fall on the outbreak of war could undermine the uneasy market confidence and push the Nikkei close to the 20,000 figure, which the Ministry of Finance set as a floor during the worst of last year's problems. Mr Jonathan McClure, of Schroders, says that 20,000 is the critical test for the market, and a fall below that figure could prompt heavy selling.

The possibility of war has helped sectors which could benefit from conflict. Shipping and shipbuilding stocks, which lost 58 per cent and 45 per cent respectively last year, have gained ground over the past month on expectations of increased war-related demand.

Interest rate-sensitive stocks, including the steels and utilities, have improved recently on talk of an ODR cut, but financial stocks have remained unwanted. Investors have yet to be convinced that Japanese banks have overcome problems, such as overexposure to a softening property market.

The Soviet Union is another popular market theme. President Mikhail Gorbachev

advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls. An announcement by the central bank that it intended to raise interest rates to combat inflation capped the gains. The Barclays index rose 9.73 to 1,171.1, but was down 3.2 per cent on the week. Turnover eased to NZ\$9.9m from NZ\$9.8m.

MANILA's composite index advanced 4.20 to \$66.84, but fell 4.2 per cent on the week.

Oriental Petroleum & Minerals closed up 0.001 peso at 0.037 peso on reports that a US-based oil exploration company intended to buy its majority interest in the West Lapinac oil field.

AUSTRALIA ended higher on bargain-hunting after the falls earlier this week. The All Ordinaries index rose 10.1 to 1,243.8, up a marginal 0.2 per cent on the week. Turnover fell to \$18.2bn from \$18.4bn.

NEW ZEALAND recovered after three days of sharp falls



### INDUSTRIALS (Miscel.)—Contd.

### INDUSTRIALS (Miscel.)—Contd.

101	101	6727A	101	101
102	102	6728A	102	102
103	103	6729A	103	103
104	104	6730A	104	104
105	105	6731A	105	105
106	106	6732A	106	106
107	107	6733A	107	107
108	108	6734A	108	108
109	109	6735A	109	109
110	110	6736A	110	110
111	111	6737A	111	111
112	112	6738A	112	112
113	113	6739A	113	113
114	114	6740A	114	114
115	115	6741A	115	115
116	116	6742A	116	116
117	117	6743A	117	117
118	118	6744A	118	118
119	119	6745A	119	119
120	120	6746A	120	120
121	121	6747A	121	121
122	122	6748A	122	122
123	123	6749A	123	123
124	124	6750A	124	124
125	125	6751A	125	125
126	126	6752A	126	126
127	127	6753A	127	127
128	128	6754A	128	128
129	129	6755A	129	129
130	130	6756A	130	130
131	131	6757A	131	131
132	132	6758A	132	132
133	133	6759A	133	133
134	134	6760A	134	134
135	135	6761A	135	135
136	136	6762A	136	136
137	137	6763A	137	137
138	138	6764A	138	138
139	139	6765A	139	139
140	140	6766A	140	140
141	141	6767A	141	141
142	142	6768A	142	142
143	143	6769A	143	143
144	144	6770A	144	144
145	145	6771A	145	145
146	146	6772A	146	146
147	147	6773A	147	147
148	148	6774A	148	148
149	149	6775A	149	149
150	150	6776A	150	150
151	151	6777A	151	151
152	152	6778A	152	152
153	153	6779A	153	153
154	154	6780A	154	154
155	155	6781A	155	155
156	156	6782A	156	156
157	157	6783A	157	157
158	158	6784A	158	158
159	159	6785A	159	159
160	160	6786A	160	160
161	161	6787A	161	161
162	162	6788A	162	162
163	163	6789A	163	163
164	164	6790A	164	164
165	165	6791A	165	165
166	166	6792A	166	166
167	167	6793A	167	167
168	168	6794A	168	168
169	169	6795A	169	169
170	170	6796A	170	170
171	171	6797A	171	171
172	172	6798A	172	172
173	173	6799A	173	173
174	174	6800A	174	174
175	175	6801A	175	175
176	176	6802A	176	176
177	177	6803A	177	177
178	178	6804A	178	178
179	179	6805A	179	179
180	180	6806A	180	180
181	181	6807A	181	181
182	182	6808A	182	182
183	183	6809A	183	183
184	184	6810A	184	184
185	185	6811A	185	185
186	186	6812A	186	186
187	187	6813A	187	187

4.5	134	5Williams Group 2	2	19.6
4.1	95	55De. Cr. Cat. Int. P2 to 2	3	18.5
3.8	296	12Williams Hides	2	21.6
3.6	169	70De. Cr. Cat. Int. P2 to 2	3	8.0
3.2	128	78De. Cr. Cat. Int. P2 to 2	3	5.63
3.0	128	6Williams (J.)	2	0.5
2.0	41	7Wills Group	2	4.1
2.0	214	6Wills Group	2	0.35
1.1	54	1Wilton Group 1a	2	12.1
1.0	339	2Worley	2	2.8
4.0	157	1Wood (Arbit.) Sp.	1	4.1
4.0	157	1Wood (Arbit.) Sp.	1	2.3
4.0	157	1Wood (Arbit.) Sp.	1	3.2

[illegible][illegible][illegible]

هڪڙا من اٿا

## Commercial Vehicles



**MINES—Contd.**

1990/91		Stock	Price	Net	Cvt	Yld
34	16	16Wells Fargo 25c	19			
35	27	27Windsor Mining	11	+	1	0.16
36	28	28Windsor Mining	11			0.16
37	29	29Windsor Mining	11			0.16
38	30	30Windsor Mining	11			0.16
39	31	31Windsor Mining	11			0.16
40	32	32Windsor Mining	11			0.16
41	33	33Windsor Mining	11			0.16
42	34	34Windsor Mining	11			0.16
43	35	35Windsor Mining	11			0.16
44	36	36Windsor Mining	11			0.16
45	37	37Windsor Mining	11			0.16
46	38	38Windsor Mining	11			0.16
47	39	39Windsor Mining	11			0.16
48	40	40Windsor Mining	11			0.16
49	41	41Windsor Mining	11			0.16
50	42	42Windsor Mining	11			0.16
51	43	43Windsor Mining	11			0.16
52	44	44Windsor Mining	11			0.16
53	45	45Windsor Mining	11			0.16
54	46	46Windsor Mining	11			0.16
55	47	47Windsor Mining	11			0.16
56	48	48Windsor Mining	11			0.16
57	49	49Windsor Mining	11			0.16
58	50	50Windsor Mining	11			0.16
59	51	51Windsor Mining	11			0.16
60	52	52Windsor Mining	11			0.16
61	53	53Windsor Mining	11			0.16
62	54	54Windsor Mining	11			0.16
63	55	55Windsor Mining	11			0.16
64	56	56Windsor Mining	11			0.16
65	57	57Windsor Mining	11			0.16
66	58	58Windsor Mining	11			0.16
67	59	59Windsor Mining	11			0.16
68	60	60Windsor Mining	11			0.16
69	61	61Windsor Mining	11			0.16
70	62	62Windsor Mining	11			0.16
71	63	63Windsor Mining	11			0.16
72	64	64Windsor Mining	11			0.16
73	65	65Windsor Mining	11			0.16
74	66	66Windsor Mining	11			0.16
75	67	67Windsor Mining	11			0.16
76	68	68Windsor Mining	11			0.16
77	69	69Windsor Mining	11			0.16
78	70	70Windsor Mining	11			0.16
79	71	71Windsor Mining	11			0.16
80	72	72Windsor Mining	11			0.16
81	73	73Windsor Mining	11			0.16
82	74	74Windsor Mining	11			0.16
83	75	75Windsor Mining	11			0.16
84	76	76Windsor Mining	11			0.16
85	77	77Windsor Mining	11			0.16
86	78	78Windsor Mining	11			0.16
87	79	79Windsor Mining	11			0.16
88	80	80Windsor Mining	11			0.16
89	81	81Windsor Mining	11			0.16
90	82	82Windsor Mining	11			0.16
91	83	83Windsor Mining	11			0.16
92	84	84Windsor Mining	11			0.16
93	85	85Windsor Mining	11			0.16
94	86	86Windsor Mining	11			0.16
95	87	87Windsor Mining	11			0.16
96	88	88Windsor Mining	11			0.16
97	89	89Windsor Mining	11			

Miscellaneous				
190	26	Colony of Mites	64	43
195	33	Colony of Mites	64	43
196	33	Colony of Mites	64	43
197	33	Colony of Mites	64	43
198	33	Colony of Mites	64	43
199	33	Colony of Mites	64	43
200	33	Colony of Mites	64	43
201	33	Colony of Mites	64	43
202	33	Colony of Mites	64	43
203	33	Colony of Mites	64	43
204	33	Colony of Mites	64	43
205	33	Colony of Mites	64	43
206	33	Colony of Mites	64	43
207	33	Colony of Mites	64	43
208	33	Colony of Mites	64	43
209	33	Colony of Mites	64	43
210	33	Colony of Mites	64	43
211	33	Colony of Mites	64	43
212	33	Colony of Mites	64	43
213	33	Colony of Mites	64	43
214	33	Colony of Mites	64	43
215	33	Colony of Mites	64	43
216	33	Colony of Mites	64	43
217	33	Colony of Mites	64	43
218	33	Colony of Mites	64	43
219	33	Colony of Mites	64	43
220	33	Colony of Mites	64	43
221	33	Colony of Mites	64	43
222	33	Colony of Mites	64	43
223	33	Colony of Mites	64	43
224	33	Colony of Mites	64	43
225	33	Colony of Mites	64	43
226	33	Colony of Mites	64	43
227	33	Colony of Mites	64	43
228	33	Colony of Mites	64	43
229	33	Colony of Mites	64	43
230	33	Colony of Mites	64	43
231	33	Colony of Mites	64	43
232	33	Colony of Mites	64	43
233	33	Colony of Mites	64	43
234	33	Colony of Mites	64	43
235	33	Colony of Mites	64	43
236	33	Colony of Mites	64	43
237	33	Colony of Mites	64	43
238	33	Colony of Mites	64	43
239	33	Colony of Mites	64	43
240	33	Colony of Mites	64	43
241	33	Colony of Mites	64	43
242	33	Colony of Mites	64	43
243	33	Colony of Mites	64	43
244	33	Colony of Mites	64	43
245	33	Colony of Mites	64	43
246	33	Colony of Mites	64	43
247	33	Colony of Mites	64	43
248	33	Colony of Mites	64	43
249	33	Colony of Mites	64	43
250	33	Colony of Mites	64	43
251	33	Colony of Mites	64	43
252	33	Colony of Mites	64	43
253	33	Colony of Mites	64	43
254	33	Colony of Mites	64	43
255	33	Colony of Mites	64	43
256	33	Colony of Mites	64	43
257	33	Colony of Mites	64	43
258	33	Colony of Mites	64	43
259	33	Colony of Mites	64	43
260	33	Colony of Mites	64	43
261	33	Colony of Mites	64	43
262	33	Colony of Mites	64	43
263	33	Colony of Mites	64	43
264	33	Colony of Mites	64	43
265	33	Colony of Mites	64	43
266	33	Colony of Mites	64	43
267	33	Colony of Mites	64	43
268	33	Colony of Mites	64	43
269	33	Colony of Mites	64	43
270	33	Colony of Mites	64	43
271	33	Colony of Mites	64	43
272	33	Colony of Mites	64	43
273	33	Colony of Mites	64	43
274	33	Colony of Mites	64	43
275	33	Colony of Mites	64	43
276	33	Colony of Mites	64	43
277	33	Colony of Mites	64	43
278	33	Colony of Mites	64	43
279	33	Colony of Mites	64	43
280	33	Colony of Mites	64	43
281	33	Colony of Mites	64	43
282	33	Colony of Mites	64	43
283	33	Colony of Mites	64	43
284	33	Colony of Mites	64	43
285	33	Colony of Mites	64	43
286	33	Colony of Mites	64	43
287	33	Colony of Mites	64	43
288	33	Colony of Mites	64	43
289	33	Colony of Mites	64	43
290	33	Colony of Mites	64	43
291	33	Colony of Mites	64	43
292	33	Colony of Mites	64	43
293	33	Colony of Mites	64	43
294	33	Colony of Mites	64	43
295	33	Colony of Mites	64	43
296	33	Colony of Mites	64	43
297	33	Colony of Mites	64	43
298	33	Colony of Mites	64	43
299	33	Colony of Mites	64	43
300	33	Colony of Mites	64	43
301	33	Colony of Mites	64	43
302	33	Colony of Mites	64	43
303	33	Colony of Mites	64	43
304	33	Colony of Mites	64	43
305	33	Colony of Mites	64	43
306	33	Colony of Mites	64	43
307	33	Colony of Mites	64	43
308	33	Colony of Mites	64	43
309	33	Colony of Mites	64	43
310	33	Colony of Mites	64	43
311	33	Colony of Mites	64	43
312	33	Colony of Mites	64	43
313	33	Colony of Mites	64	43
314	33	Colony of Mites	64	43
315	33	Colony of Mites	64	43
316	33	Colony of Mites	64	43
317	33	Colony of Mites	64	43
318	33	Colony of Mites	64	43
319	33	Colony of Mites	64	43
320	33	Colony of Mites	64	43
321	33	Colony of Mites	64	43
322	33	Colony of Mites	64	43
323	33	Colony of Mites	64	43
324	33	Colony of Mites	64	43
325	33	Colony of Mites	64	43
326	33	Colony of Mites	64	43
327	33	Colony of Mites	64	43
328	33	Colony of Mites	64	43
329	33	Colony of Mites	64	43
330	33	Colony of Mites	64	43
331	33	Colony of Mites	64	43
332	33	Colony of Mites	64	43
333	33	Colony of Mites	64	43
334	33	Colony of Mites	64	43
335	33	Colony of Mites	64	43
336	33	Colony of Mites	64	43
337	33	Colony of Mites	64	43
338	33	Colony of Mites	64	43
339	33	Colony of Mites	64	43
340	33	Colony of Mites	64	43
341	33	Colony of Mites	64	43
342	33	Colony of Mites	64	43
343	33	Colony of Mites	64	43
344	33	Colony of Mites	64	43
345	33	Colony of Mites	64	43
346	33	Colony of Mites	64	43
347	33	Colony of Mites	64	43
348	33	Colony of Mites	64	43
349	33	Colony of Mites	64	43
350	33	Colony of Mites	64	43
351	33	Colony of Mites	64	43
352	33	Colony of Mites	64	43
353	33	Colony of Mites	64	43
354	33	Colony of Mites	64	43
355	33	Colony of Mites	64	43
356	33	Colony of Mites	64	43
357	33	Colony of Mites	64	43
358	33	Colony of Mites	64	43
359	33	Colony of Mites	64	43
360	33	Colony of Mites	64	43
361	33	Colony of Mites	64	43
362	33	Colony of Mites	64	43
363	33	Colony of Mites	64	43
364	33	Colony of Mites	64	43
365	33	Colony of Mites	64	43
366	33	Colony of Mites	64	43
367	33	Colony of Mites	64	43
368	33	Colony of Mites	64	43
369	33	Colony of Mites	64	43
370	33	Colony of Mites	64	43
371	33	Colony of Mites	64	43
372	33	Colony of Mites	64	43
373	33	Colony of Mites	64	43
374	33	Colony of Mites	64	43
375	33	Colony of Mites	64	43
376	33	Colony of Mites	64	43
377	33	Colony of Mites	64	43
378	33	Colony of Mites	64	43
379	33	Colony of Mites	64	43
380	33	Colony of Mites	64	43
381	33	Colony of Mites	64	43
382	33	Colony of Mites	64	43
383	33	Colony of Mites	64	43
384	33	Colony of Mites	64	43
385	33	Colony of Mites	64	43
386	33	Colony of Mites	64	43
387	33	Colony of Mites	64	43
388	33	Colony of Mites	64	43
389	33	Colony of Mites	64	43
390	33	Colony of Mites	64	43
391	33	Colony of Mites	64	43
392	33	Colony of Mites	64	43
393	33	Colony of Mites	64	43
394	33	Colony of Mites	64	43
395	33	Colony of Mites	64	43
396	33	Colony of Mites	64	43
397	33	Colony of Mites	64	43
398	33	Colony of Mites	64	43
399	33	Colony of Mites	64	43
400	33	Colony of Mites	64	43
401	33	Colony of Mites	64	43
402	33	Colony of Mites	64	43
403	33	Colony of Mites	64	43
404	33	Colony of Mites	64	43
405	33	Colony of Mites	64	43
406	33	Colony of Mites	64	43
407	33	Colony of Mites	64	43
408	33	Colony of Mites	64	43
409	33	Colony of Mites	64	43
410	33	Colony of Mites	64	43
411	33	Colony of Mites	64	43
412	33	Colony of Mites	64	43
413	33	Colony of Mites	64	43
414	33	Colony of Mites	64	43
415	33	Colony of Mites	64	43
416	33	Colony of Mites	64	43
417	33	Colony of Mites	64	43
418	33	Colony of Mites	64	43
419	33	Colony of Mites	64	43
420	33	Colony of Mites	64	43
421	33	Colony of Mites	64	43
422	33	Colony of Mites	64	43
423	33	Colony of Mites	64	43
424	33	Colony of Mites	64	43
425	33	Colony of Mites	64	43
426	33	Colony of Mites	64	43
427	33	Colony of Mites	64	43
428	33	Colony of Mites	64	43
429	33	Colony of Mites	64	43
430	33	Colony of Mites	64	43
431	33	Colony of Mites	64	43
432	33	Colony of Mites	64	43
433	33	Colony of Mites	64	43
434	33	Colony of Mites	64	43
435	33	Colony of Mites	64	43
436	33	Colony of Mites	64	43
437	33	Colony of Mites	64	43
438	33	Colony of Mites	64	43
439	33	Colony of Mites	64	43
440	33	Colony of Mites	64	43
441	33	Colony of Mites	64	43
442	33	Colony of Mites	64	43
443	33	Colony of Mites	64	43
444	33	Colony of Mites	64	43
445	33	Colony of Mites	64	43
446	33	Colony of Mites	64	43
447	33	Colony of Mites	64	43
448	33	Colony of Mites	64	43
449	33	Colony of Mites	64	43
450	33	Colony of Mites	64	43
451	33	Colony of Mites	64	43
452	33	Colony of Mites	64	43
453	33	Colony of Mites	64	43
454	33	Colony of Mites	64	43
455	33	Colony of Mites	64	43
456	33	Colony of Mites	64	43
457	33	Colony of Mites	64	43
458	33	Colony of Mites	64	43
459	33	Colony of Mites	64	43
460	33	Colony of Mites	64	43
461	33	Colony of Mites	64	43
462	33	Colony of Mites	64	43
463	33	Colony of Mites	64	43
464	33	Colony of Mites	64	43
465	33	Colony of Mites	64	43
466	33	Colony of Mites	64	43
467	33	Colony of Mites	64	43
468	33	Colony of Mites	64	43
469	33	Colony of Mites	64	43
470	33	Colony of Mites	64	43
471	33	Colony of Mites	64	43
472	33	Colony of Mites	64	43
473	33	Colony of Mites	64	43
474	33	Colony of Mites	64	43
475	33	Colony of Mites	64	43
476	33	Colony of Mites	64	43
477	33	Colony of Mites	64	43
478	33	Colony of Mites	64	43
479	33	Colony of Mites	64	43
480	33	Colony of Mites	64	43
481	33	Colony of Mites		

[illegible][illegible]

**This service is available to companies whose shares are regularly traded in the United Kingdom for a fee of £1,150 a year for each security shown, subject to the Editor's discretion.**

هكذا من الأوصاف



**GO PUBLIC IN 1991**  
Public Limited Companies incorporated in 9 working days  
(or from stock) complete with trading certificate.  
Free advice on all aspects of Plc ownership.  
£750 + VAT  
CORPORATE REGISTRARS INTERNATIONAL PLC  
Tel: 0222 382115, Fax: 0222 382118

# FINANCIAL TIMES

Weekend January 12/January 13 1991

071-828 7438  
**fee**  
Computer Maintenance and Service

## BA to axe all services to the Irish Republic

By Paul Betts, Aerospace Correspondent

BRITISH Airways is ending all flights to the Republic of Ireland after 44 years of service as part of a drive to improve the overall efficiency and profitability of its network.

A range of other cost reductions, including staff cuts, is under consideration. The airline, which has warned that it expects to report a loss in the second half of its current financial year, said all Irish flights would cease from March 25. The services affected are those from Heathrow to Dublin, Cork and Shannon and between Birmingham and Dublin.

BA said it had been losing money "for some time" on the Irish services. It had considered cutting them last year but decided to put off the decision. Competition on the London-Dublin route is intense, with airlines competing in what has become a highly price sensitive market. BA has a 15 per cent share of the route, the highest in Europe after Lufthansa.

The announcement provoked an angry response in Dublin where Mr Seamus Brennan, the Irish transport minister, said he regretted the decision.

and Mr Gay Mitchell, the Fine Gael opposition party transport spokesman, alleged that only Irish carriers had a commitment to services between the two countries.

The airline also announced yesterday it was stopping flights between London and Nassau this summer as well as its Gatwick-Amsterdam and Heathrow-Bergen services and the Miami leg of its London-Washington-Miami Concorde service.

Sir Colin Marshall, BA's chief executive, said there were no plans at this stage for further route withdrawals. The airline was facing substantial cost increases because of the Gulf crisis, inflation and high interest rates and the economic downturn in many markets.

BA was now studying a series of additional cost cutting measures, with staff levels and manpower currently under scrutiny. However BA said its overall scheduled services would still increase by 3 per cent this summer despite the cuts in uneconomic routes.

Expansion was planned on a number of transatlantic and European routes. As a result of



Sir Colin Marshall: no plans for further route withdrawals

the route cuts about 47 jobs will be lost in Ireland and about 16 in the Bahamas. BA said some staff could stay on to maintain sales presence and others would be redeployed.

Aer Lingus, the Irish state airline, which has a 55 per cent share of the London-Dublin

route, said yesterday it was examining the implications of the BA decision, including the possibility of increasing capacity. British Midland Airways, with about 13 per cent of the London-Dublin market, also said it was considering expanding its business in Ireland.

## Ravenscraig plant dealt further blow by British Steel

By James Buxton and Charles Leadbeater

BRITISH Steel yesterday dealt a further blow to its Ravenscraig plant at Motherwell, near Glasgow. It said it would temporarily shut down one of Ravenscraig's two blast furnaces from early next month.

The announcement produced an angry reaction in from politicians and union leaders in Scotland.

The company blamed the growing recession for a projected fall of 13 per cent in demand for strip steel products during the first three months of 1990. The burden will fall on Ravenscraig because of British Steel's policy of giving preference to loading its lowest cost plants, which are at Llanwern and Port Talbot in South Wales.

The announcement came as Mr John Major, the prime minister, said in Scotland that the government would act to regenerate Lanarkshire and create "long-term jobs" if there was no future for the Scottish steel industry.

He said the government hoped a study commissioned by the Scottish Development Agency would conclude there were good commercial prospects for the Scottish steel industry.

Speaking more frankly, however, than any minister in the recent past about the industry's future, Mr Major said that if the report found that prospects were not good, "it is not in the long-term interests of the area to preserve in the short term jobs that cannot be preserved in the long term."

The Scottish National Party said British Steel's decision confirmed the company's intention to close the entire Scottish steel industry. Mr Gordon Brown, Labour's shadow trade and industry secretary, said he feared Ravenscraig would be closed "by stealth".

The news on Ravenscraig coincided with the publication of figures which showed that British steel production last month was 15 per cent lower than the output in December 1989, one of the steepest declines in recent years. Production last month averaged 265,300 tonnes per week compared with output of 312,000 tonnes per week in December 1989.

The steep fall suggests the decline in steel output is gathering pace.

British Steel is already due to close the hot strip mill at Ravenscraig on April 5, with the loss of 770 jobs. It is closing its Clydesdale tube works at nearby Bellshill in March, with the loss of 1,200 jobs.

British Steel is to "bank" one of Ravenscraig's blast furnaces from February 9. Banking is a procedure which involves filling the furnace with coke. It does not prejudice the re-opening of the furnace. British Steel said it would review the situation at the end of March.

## Yet more trouble from the East

The mere 20-point fall in the FT-SE this week can be interpreted two ways. It could be a case of remarkable resilience in the face of a deluge of bad news. Alternatively, the market is so obsessed with the Gulf crisis and matters as US bank crashes and violence in Lithuania. If the latter, a resolution of the Gulf crisis will simply provide fresh things to worry about.

Granted, the significance of events in Lithuania is not easy to gauge. Ultimately, the market's chief worry is that the Soviet Union might revert to its old imperialism, which would involve among other things the termination of western interest in the development of eastern Europe. But that interest has so far proved more theoretical than real, the former East Germany, of course, excepted. And the overrunning of Germany by the Soviet Union, like that of Saudi Arabia by Iraq, seems a touch apocalyptic.

There was a reminder yesterday of just what an engine of growth German unification has proved. Growth in the German economy last year was the highest since 1976 and investment the highest since 1970. But this is already starting to wind down. Growth in unified Germany this year could be half that of last, which is one reason why the German equity market has so dramatically underperformed over the past six months.

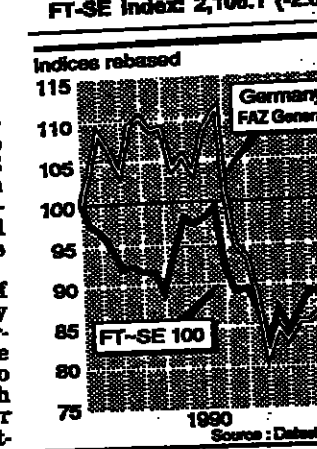
It is not impossible that the big surprise for investors this year will be the extent to which Germany and Japan succumb to the slowdown in the world economy at large. The markets will doubtless be wrong-footed by the Gulf and the Soviet Union. In the shadow of such great events they had better make sure of reading the economic fundamentals correctly in the meantime.

Against this, history shows that newspapers generally contrive to put up their cover prices by more than inflation during a recession. But this applies more to the Daily Mail than to the Daily Express, whose Daily Express can scarcely move in the absence of a lead from its stronger rival.

**Wiggins Teape**  
The successful completion by Wiggins Teape Appleton of the sale of its Portuguese pulp interests can only add to WTA's attractions. At £126m, the proceeds almost halve the group's debt, add some 5 per cent to this year's earnings per share and bring gearing down to 20 per cent. Given that the pulp price is likely to stay depressed for another two or three years, freeing up cash to buy further into high quality assets seems sensible. As expanded by the merger with Arjomari, WTA now has pulp capacity equal to a third of its requirements. The question must now be whether this

**Daily Mail**  
Recession and impending wars may be good for daily newspaper sales. Proprietors, the hard-pressed Mr Murdoch in particular, will be more concerned about their worsening cash flows from UK advertising. Yesterday's 17 per cent drop in second-half profits from Daily Mail and General Trust is doubtless the forerunner of worse from others, given that the period to end-September covered only the first month or so of the real advertising recession. The message for followers of Pearson, Reed

FT-SE Index 2,106.1 (-2.6)



hedging strategy is appropriate to a fine paper company, or whether its pulp business in Spain should go the way of that in Portugal. Since the Arjomari merger was announced two months ago, WTA's shares have outperformed the market by 11 per cent. If ever there was an argument about investors being cheated of a premium for control, it has evidently been forgotten. But at yesterday's 187p, the shares are on around nine times this year's earnings. For a mid-proof company in a cyclical industry, that seems generous enough.

**UK builders**  
There is something very seductive about the idea that contractors and housebuilders' shares are now so cheap that they must be bought. When companies as old and as rich as Tarmac or Taylor Woodrow are yielding around 7 per cent, the downside risk is surely small. True, 1990 was a awful year. Private housing starts fell by a quarter in the UK and most housebuilders' profits vanished. But construction sector shares have already fallen 30 per cent on average since January 1989. Since the Halifax Building Society thinks house prices started rising again in parts of southern England before Christmas, it might be reasonable to expect housebuilders' profits to start forging ahead again soon, taking share prices with them.

In theory, all this sounds plausible. It is quite likely that as interest rates fall further, shares in financially sound builders like Bryant or Wilson Bowden will have a brisk run. But on the sector generally, it is possible to take a distinctly contrary view, based on some questions about the fundamental soundness of the industry. The trouble is that it is very hard to find examples of housebuilders which in the 1980s did not also move heavily into commercial property development. That is something that could overshadow the sector for several years to come.

A second, related point is that the industry's cash flow has deteriorated so badly in the last two or three years, thanks to overtrading in 1988 and 1989, that a cascade of equity issues seems inevitable. The UK's quoted construction and contracting companies showed in aggregate a net cash outflow of more than £1bn in 1989 alone. One or two companies have already had rights issues. Others can be expected once the Gulf crisis is over.

## Power sale opened to single buyers

By David Thomas, Resources Editor

THE government is ready to sell its 40 per cent holding in the two electricity generating companies to single buyers after their privatisation, the Department of Energy said yesterday.

Until now, it has been assumed that the government would sell its remaining stakes on the stock market after offering 60 per cent of National Power and PowerGen to the public next month.

Mr John Wakeham, energy secretary, announced the decision to hold on to the 40 per cent stakes earlier this week. He said a two-stage sale of the companies would maximise proceeds to the taxpayer.

The Energy Department yesterday stressed that it would be prepared to sell the stakes to individual trade buyers rather than sell them on the stock market. However it insisted that it had not been

approached by prospective buyers.

The companies' privatisation prospectus is likely to make clear that the government will not sell its holding of at least 20 per cent to be backed by a special "golden" share that would prevent one buyer building up a controlling stake in either company.

Nevertheless, the government's willingness to allow a

single buyer to build up a large stake could create takeover interest in the companies, particularly as the two-year deadline approaches.

Last year, Hanson, the UK conglomerate, considered buying the whole of PowerGen, the smaller of the companies. Hanson backed away from its plan after its approach proved highly controversial.

**Sale offer, Weekend Page IV**

## Two European banks hold out against requests for new funds

## Delay over News Corp debt scheme

By Stephen Fidler, Euromarkets Correspondent

TWO BIG European banks are holding out against requests to lend new funds for a \$7.4bn (£3.9bn) financial restructuring for Mr Rupert Murdoch's News Corporation.

The agreement of all News Corporation's 150 lenders is required before the restructuring can go ahead.

The two continental European banks are in the group of 27 main lenders, with exposure to the company of more than \$75m, which is being asked to provide \$600m of new funds to allow the company to ride out a cash crisis.

Both are understood to be agreeable to a restructuring of the \$6.8bn of existing debt but believe that their exposure to

Mr Murdoch is not large enough for them to be included in the group which needs to make new loans.

A minority of smaller lenders continues to hold out against the restructuring, which is needed because Mr Murdoch would not otherwise be able to repay bank loans which come due by the middle of the year.

Bankers said yesterday that about a third of the banks had signed the agreement, while more than 90 per cent had agreed to the restructuring. Some banks have stipulated that their agreement depends on all current lenders being locked in to the restructuring. The main banks, led by Citicorp, Midland Montagu and Commonwealth Bank of Australia, remain confident the deal can be agreed. However, as time passes, the maturing of more debt makes the situation potentially more difficult.

A deadline for signature on the agreement passed yesterday but bankers said that was not unexpected, given the complicated documentation.

Shares in News International, Mr Murdoch's UK-listed company, dropped yesterday by 5p to 10p. Shares in Reuters and Pearson, publisher of the Financial Times, in which he has a stake, also fell.

In New York, American Depositary Receipts in News Corporation dropped at one

time by more than 20 per cent, before recovering. In afternoon trading, they were quoted at \$7 1/4 compared with Thursday's close of \$7 1/4.

The cause of the drop appeared to be reports about the filings made by News Corporation to the US Securities and Exchange Commission 12 days ago. The filings underline Mr Murdoch's liquidity crisis.

They show that the value of the company under US accounting rules, at \$3.8bn (£1.5bn), is significantly less than its value under Australian rules, at \$11.1bn. However, for example, under US accounting principles, the Sun newspaper is valued at its £1m purchase price.

time by more than 20 per cent, before recovering. In afternoon trading, they were quoted at \$7 1/4 compared with Thursday's close of \$7 1/4.

The cause of the drop appeared to be reports about the filings made by News Corporation to the US Securities and Exchange Commission 12 days ago. The filings underline Mr Murdoch's liquidity crisis.

They show that the value of the company under US accounting rules, at \$3.8bn (£1.5bn), is significantly less than its value under Australian rules, at \$11.1bn. However, for example, under US accounting principles, the Sun newspaper is valued at its £1m purchase price.

Mr Murdoch's UK-listed company, dropped yesterday by 5p to 10p. Shares in Reuters and Pearson, publisher of the Financial Times, in which he has a stake, also fell.

In New York, American Depositary Receipts in News Corporation dropped at one

## Marcos collection fetches \$20.2m

By Antony Thorncroft

A COLLECTION of silver and old master paintings amassed by former Philippines president Ferdinand Marcos and his wife Imelda fetched \$20.2m (£10.5m) at Christie's in New York.

The works, including paintings by El Greco and Raphael, were bought by Mrs Marcos and her late husband in the last decade of their 20-year rule. The collection was seized when they were overthrown in 1986.

Highest prices at the sale were \$2.3m for El Greco's *The Coronation of the Virgin* - an auction record for the Spanish artist - and \$1.85m paid by the Italian government for Raphael's *St Catherine of Alexandria*. The early 16th century painting, for which Mrs Marcos is believed to have paid at least \$4m, will hang in the Uffizi gallery in Florence.

A private European collector on Thursday paid \$1.76m for a George III silver dinner service by Paul Storr. It was the second highest price paid at auction for a lot of silver.

The collection was sold on behalf of the Philippines republic. The proceeds will help to fund land reform programmes. Although Christie's had to re-attributed many of the paintings the collection included works by some of the most revered Italian old masters.

## Lithuania

Continued from Page 1

after he poured water on approaching troops from the roof of the printing house. Eyewitnesses said he was shot by an irate Soviet colonel who started firing his automatic weapon after he was drenched.

Mr Vytautas Landsbergis, Lithuania's president, under heavy guard inside the parliament building, demanded that Soviet president Mr Mikhail Gorbachev order an immediate halt to military units who were "spilling blood in the republic of Lithuania".

He appealed to the European Community and its allies to convince Mr Gorbachev to stop the Soviet action, which he said constituted an undeclared war. "Time is of the essence. Many people will be killed if the Soviet military machine is not stopped," he said.

In Moscow, the Ministry of Defence refused to give any explanation for the troop actions, saying it had no information from the republic. However Mr Rafik Nishanov, chairman of the Council of Nationalities of the Soviet parliament, presented a highly distorted report of the situation.

## Gulf

Continued from Page 1

international conference on the Middle East after withdrawal, and a guarantee that international forces against Iraq would withdraw from the region.

Mr Douglas Hogg, British Foreign Office minister, said he was broadly comfortable with the first four points, but that the last one had not been raised in the way put by the

warning of "a civil internecine war". He claimed that the Soviet leadership had received "an avalanche of letters and telegrams" denouncing the republican leaders and that a committee for national salvation was ready to take power.

He also claimed that 60,000 workers were on the streets of Vilnius yesterday calling for the resignation of the Lithuanian parliament, confronted by some 10,000 Lithuanian nationalists. All eyewitness reports suggested that there were half as many pro-Soviet workers as there were pro-independence demonstrators.

The Communist party in Vilnius said 19 enterprises were on strike along with railway and airport workers. They succeeded in cutting off the republic's main transport links for most of the day.

The combined action of pro-Soviet troops, workers and Communist party rump loyal to Moscow appeared to be part of a co-ordinated campaign to raise the tension in the republic, possibly paving the way for the introduction of presidential rule by Mr Gorbachev.

## Portuguese minister.

Mr John Major, the British prime minister, speaking in Edinburgh last night, described the situation as gloomy. "One has to be pessimistic about the chances of Saddam Hussein withdrawing," he said. But he added that war was not inevitable. "War can be stopped at any moment by Saddam Hussein withdrawing."

## Can you forecast the oil crisis and make money?

Over the past 15 years, thousands of people have backed their judgement of the world's financial markets with IG Index.

They've placed bets lasting from one day to one year, on markets ranging from Crude oil to the FTSE 100, the Dow Jones Index to Gold Bullion. And very substantial profits have been achieved.

What's more, because we pay the betting tax and you pay no capital gains tax at all, most of these profits stay in your pocket - a considerable advantage over ordinary trading.

In fact, our financial bookmaking service enables you to speculate on over 80 markets, and we're open to take your bets 12 hours a day. So if you'd like to know about the IG Index financial bookmaking service - you'd like to know about the IG Index financial bookmaking service - and how you could back your judgement of the market to considerable personal gain - call us now on 071-828 7233, or complete and return the coupon below.

\*Under current legislation which is subject to change.

**IG INDEX**  
First in financial bookmaking  
Post to: IG Index PLC,  
9-11 Grosvenor Gardens, London SW1W 0BD.  
AFBD MEMBER  
Please send me more information on IG Index financial bookmaking.

Name \_\_\_\_\_

Address \_\_\_\_\_

Postcode \_\_\_\_\_

Daytime tel. \_\_\_\_\_ Evening \_\_\_\_\_

Please note: Prices of futures and options move up and down very rapidly indeed. Never speculate with money you cannot afford to lose.

Data Protection: Naturally we will tell you of future products and services relevant to you. If you would prefer not to receive this information tick this box ☐

مكازم النجف



# Weekend FT

SECTION II

Weekend January 12/January 13 1991

## How the West will win the war

**W**AR IN the Gulf, if it comes in the next few weeks, will be a major conflict in historical terms. The Americans had higher peak strengths in both Korea and Vietnam, but the magnitude of the forces deployed by presidents Truman and Johnson are comparable to those sent to the Gulf by Bush.

Allied forces in the Gulf, with reinforcements still joining them, total well over 500,000. In Vietnam, the Americans, at their maximum, had 600,000 troops in the field. In Korea, at the most dramatic period 10 months after the war began, the great Chinese Fifth Phase Offensive of April 1951, 700,000 Communist troops drove against 420,000 United Nations Command defenders. For much of the war of attrition which ensued at an all too bloody intensity from November 1951 to July 1953, the UN Command held the front, some 130 miles across the Korean Peninsula, with 15 divisions in the front line. In the Gulf a front of about 200 miles is manned by some 10 allied divisions or equivalent forces.

While there are similarities in terms of scale between the Gulf confrontation and the US's two biggest wars of the post-1945 period, there are important differences. First, the allies are not fighting an enemy which has the support of an inviolable great power across an adjoining frontier. Second, the accuracy and intensity of the available firepower on both sides is far greater than in either Korea or Vietnam, and there is virtually no cover for ground forces advancing to the front.

Third, the war, if it comes, will be conducted in the heart of one of the world's greatest concentrations of natural resources. Fourth, for all the talk of Vietnam having been the television war, satellite technology, more professional journalistic techniques and the penetration of television will involve mass opinion around the globe in a way that no other conflict has yet achieved.

A war in the Gulf will be a flash in the pan compared with the duration of the Korean and Vietnam wars. Saddam does not have a powerful ally waiting to rescue him as the Chinese saved Kim Il Sung in 1950.

Saddam cannot even count on friendly logistic backing against the Americans. Saddam is isolated; enemies abound on every side except

for weak Jordan, and on the other side of Jordan stands Israel. Shamir will respond like a tiger if he feels that Israel's security is threatened in any way by Saddam.

It is conceivable that the Iraqis could prove a wild card, but such a turn around is extremely unlikely. For the first time since 1945 the Americans seem to have a major enemy isolated diplomatically, economically and militarily.

The Iraqis may prove capable of resisting for several weeks the onslaught which will be delivered against them. If they were a really good army, like the Wehrmacht in 1944, they could successfully fight a bloody series of delaying battles, falling back from prepared positions to prepared positions. But the Iraqi performance in mobile operations against the Iraqis suggests that they are not in this class.

The combat operations we are likely to see will be over in a matter of weeks, not years. This is not to say that US and allied forces will all be able to return home then. There will be a prolonged period of mopping up the defences of Kuwait, or of attempting to put together the pieces of a shattered Iraq. There may be a sustained, low intensity terror campaign waged by Saddam's supporters against the west. But unlike Korea and Vietnam, there should not be a long period in which Americans and their allies are dying in large scale military operations for no apparent change in the outcome.

Although a Gulf war would be much shorter than the Korean and Vietnam wars, it stands to surpass them by far in terms of intensity. The Korean War caught the Americans and their allies unawares and it was not until mid-1951 that they were able to develop their full concentration of air power. The commitment in Vietnam was gradual and much of the enemy's operational and logistic facilities were protected by dense jungle.

In the Gulf a mighty force has been concentrated, poised to strike a devastating series of blows, and it will not be hard to see where the main targets are.

The opening phase of a Gulf war will be a dramatic aerial bombardment, probably not as pulverising as the air power has been, but it will look spectacular and allied losses should be light.

It will still be necessary to send the ground forces in to close with and overcome the Iraqi defenders. The opening phase of a Gulf war will be a dramatic aerial bombardment, probably not as pulverising as the air power has been, but it will look spectacular and allied losses should be light.

Nothing was better for the image of a chief executive in the late 1980s than to build up a reputation as a clever deal-maker. But the takeover wizard have nearly all crashed. The prudent company boss these days does not put his head too far above the parapet: his own share price might suffer. Acquisitions are not popular as corporate trophies just now, any more than Van Gogh or American Cup contenders.

Another reason for the takeover famine, after all, is that

We have no idea as to what their condition will be. The Iraqis will fight with the force of the aerial onslaught, but the doggedness of the Iraqi defence against the Iraqis suggests that a good number will come out fighting when the allied ground attack goes in. Then it will be the allies who lack cover from the accurate weapons of dug-in defenders. The close fighting which follows promises to be the bloodiest phase of the conflict.

**I**n contrast to Korea, where the enemy held a line from coast to coast, Saddam cannot close off all his 600 mile frontier with the Saudis. He has a defensive line which runs inland some 200 miles. It then becomes very thin. In other words his position has an open flank and there is potential for a war of manoeuvre which did not exist in Korea.

His other flank, on the Gulf, may be taken by amphibious assault. This may prove costly to the attackers but the double envelopment strategy opens very interesting possibilities for penetrating the Iraqi rear areas and isolating the greater part of its army in its forward defences. General Schwarzkopf, chief of US central command, has an opportunity for carrying through a Napoleonic strategy of holding the Iraqis on the southern front while concentrating an intense allied force against the enemy rear. If the



allied operations are well conducted, they stand to be a textbook example of battlefield strategy for decades.

Because the conflict is essentially about the control of oil and the war will be waged through an oilfield, there will also be an economic impact. Both the Korean and Vietnam wars had powerful effects on the world economy. The commodities boom of the 1980s transformed the prospects of resource producing countries.

Lyndon Johnson's refusal to pay for the Vietnam war through increased taxation led to severe inflation, a weakening of the US position internationally and the cutting of the Great Society programme inside the US.

The Gulf conflict has sent up the price of oil, and it may be driven higher in the heat of battle. But unless the Iraqis can find some way of striking at the Saudi oilfields, not enough oil production will be lost through the battle to have a dramatic effect on prices. More important economically will be the subsequent impact of the conflict on general Gulf security.

A war in the Gulf promises to have a major impact on public opinion. President Bush will not have to bear the heavy burden of his predecessors in Korea and Vietnam, that of mass disapproval of administration policy, during the war itself. But he will surely face it afterwards unless, contrary to Pentagon expectations, his forces achieve a swift and relatively painless victory.

Like Korea and Vietnam, it will heighten public reluctance to undertake further such commitments. What will happen to the notion of collective security in the west? It will be much harder for NATO or the Western European Union to play a new role "out of area".

The message will be given clearly to the rest of the world: "If you get into military trouble, get yourself out of it, at least as far as combat forces are concerned." The west may help with advice, intelligence and technological support. It will be extremely reluctant to spend the lives of its own citizens for any objective other than direct defence against aggression aimed at the national territories of its members' states.

American public opinion is likely to react even more sharply than European to the casualty list from the Gulf, because it will be so heavily American in composition. "What are we doing?", many will ask, "bearing these casualties when it is the Europeans who are much the more dependent on peace in the Gulf? Why should we keep forces in Europe now that the Soviet threat has receded?"

Reactions among the US's Arab allies may be less vocal, assuming that the casualties are light. But after the tension and excitement of gearing up for battle subsidies, many Arabs will question the wisdom of standing so closely with Israel's protector.

A defeated Saddam, particularly a dead one, will take on a much more

*The battle may be short, but can the allies win the peace, asks Robert O'Neill, the Oxford University professor of war history*

Post-conflict analysis will be searching and merciless. It will, for the most part, be conducted after the adrenalin induced by the war has ceased to flow. Then losses actually suffered will weigh more heavily than do potential losses now.

Mass audiences, particularly in the west, will be asked to weigh the thousands of casualties against the hypothetical costs of having waited until sanctions took effect or Saddam was toppled by his own people.

Not all these comparisons will be fair; nonetheless, they will be made, passionately and even brutally. New currents of public opinion will flow, raising new political problems for leaders whose self-confidence will be under challenge.

Even if western and allied casualties are light in military terms — half of 1 per cent, or 2,500, killed and 2 per cent, or 10,000, wounded — westerners will ask hard questions. They will focus not only on what, by then, will be history. They will also be forward looking.

Tens of millions of westerners will ask for justification of national defence policies which cost a substantial fraction of their gross domestic product and resulted in the spending of thousands of lives for objectives which, arguably, could have been secured in other ways.

A Gulf war is not likely to trigger an outburst of pacifism, given the brutality of Saddam's actions, but,

favourable image. "What did we do?" and "Why did we do it?" many will ask of their leaders as waves of uneasiness sweep through public debates. In that atmosphere, putting together a new security structure, compatible with western interests, will be all the more difficult.

Should the Iraqis collapse, and the allies gain a victory at very little cost, the US will be pressed for a brief while at least and Bush will emerge with enhanced status, as did Margaret Thatcher after the Falklands. However, the chances of this outcome are all too low.

Not so improbable is the even cheaper scenario in casualty terms, in which Saddam pre-emptively withdraws from Kuwait. In this situation western public opinion will criticise Bush for assembling such a vast force in the Gulf when the prospects of his being able to use it were far from certain.

Like Korea and Vietnam, a war in the Gulf will be bound to have important consequences for the region. For more than 40 years the Korean peninsula has been divided. Indo-China has been the scene of turmoil for even longer.

We should be prepared after a Gulf war to face a long and uncertain period as a new system of regional security is built. Even a beaten enemy, as Saddam almost certainly will be, can have a long after-life.

## Takeovers are too much of a luxury

LIKE LONDON, takeover suits, companies are more readily bought when they are expensive than when they are cheap. Perhaps it is because, as with monogrammed leather luggage, they are status symbols for the rich and ambitious.

London's takeover industry has faced a grim New Year. The expensive merchant bankers and lawyers who have developed the contested takeover bid to a fine art have been reduced to fiddling their thumbs and shuffling their client lists. A \$40m scrap which developed this week over Telfos, a Leeds rolling stock manufacturer, is small beer — even if it should develop into a two-way battle.

No doubt corporate finance departments can keep themselves ticking over with a diet of restructurings and European link-ups. But the income earned from such deals is puny compared with the huge success fees awarded by the grateful acquirers of companies in late 1980s bid battles. There could be a silver lining: the megalomaniac merchants may have more time to read the transcripts of the forthcoming Blue Arrow and Guinness trials.

The boom time prices that were paid by bidders often now seem incredible. There was a reminder this week from TSB, which paid £220m for Target, the life assurance company, in 1987 (in an agreed, rather than contested, offer) but has now more or less given it away for nothing.

When, in the 1980s, companies had a bad year, failed to increase their dividend hand-

somely or dared to ask shareholders for money through a rights issue there were immediate stories of takeover threats. Merchant banks would tout propositions around their circles of acquisitive clients, companies would be put "into play" and the lucrative game would be begun. Now, when the number of genuine opportunities is vastly greater, the activity is almost nil.

One explanation is that during a recession managers are forced to focus on running their own companies. Almost all British businesses are now engaged in a major cost reduction exercise; they must find ways of staying profitable in conditions in which demand seems likely to remain very low for an extended period. In good times businesses almost run themselves, and top managers can devote themselves to grand strategy. But right now takeovers, whatever their long-term potential, could prove to involve a dangerous diversion of top-level human resources.

Nothing was better for the image of a chief executive in the late 1980s than to build up a reputation as a clever deal-maker. But the takeover wizard have nearly all crashed. The prudent company boss these days does not put his head too far above the parapet: his own share price might suffer. Acquisitions are not popular as corporate trophies just now, any more than Van Gogh or American Cup contenders.

Another reason for the takeover famine, after all, is that

### The Long View



Barry Riley

**In the space of little more than a year the takeover business in London has moved dramatically from unprecedented boom to unparalleled decline**

the risks are simply much higher in a recession. When an ailing, but basically sound, business is acquired during an economic boom it can be assumed that it can be turned

around. At worst, parts of it can be sold off to other companies which have more relevant expertise. But in a slump there is vastly more opportunity for unpleasant surprises. Businesses may prove not to be as saleable, and mistakes will not be covered up by rising asset markets — certainly not when war could be declared any minute.

Statistics show the dramatic scale of the change. In 1987 and 1988 the number of acquisitions by industrial and commercial companies in the UK was running at a quarterly rate of almost 400. By the third quarter of 1990 the number was down to 116. As for aggregate expenditure on acquisitions, it was running at an annual rate of under £10bn during the first nine months of 1990, against £27bn for 1989 as a whole.

If you look at the net spending by the company sector on UK company securities, including here the effect of the unloading of strategic stakes, the turnaround appears even more remarkable. The company sector splashed out £12bn on corporate paper in 1988 and £18.5bn in 1989. This expenditure was a primary factor in the growth of the sector's net borrowing requirement to a peak £52bn in 1989. But the corporate spending spree had to end. During 1990 balance sheets started to creak, the stock market cracked and credit began to be crunched.

By the third quarter of 1991 companies were actually net sellers of securities, although there was still net acquisition of £1.4bn for the nine months

January-September. Investment abroad has also collapsed from £4bn a quarter to almost nothing.

This drastic response has served to trim the company sector's net borrowing requirement to an annual rate of about £15bn in recent quarters. It would be less, but companies are still running a serious underlying financial deficit of nearly £30bn a year because profits have fallen while interest payments, dividends and capital investment have all been shooting upwards. Companies will take a little longer to make the fundamental adjustments which will eliminate the deficit. But their first step has been to stop spending on acquisitions and trade investments.

No doubt a number of other bottom fishers will emerge, like the Axa Midi subsidiary Equity & Law, which is buying Target. Yet it will be a very long time before we see any repetition of the torrent of banking credit which financed many of the last round of takeovers. In theory we could see a revival of takeovers financed by shares, which funded 60 per cent of bid expenditure in 1986 and 1987, but only 13 per cent in 1989. However, many of those late 1980s deals turned out to be almost instant disasters, giving the whole merger game a very bad name. Bidders could find it tough to persuade their institutional shareholders to approve the necessary increases in share capital.

It is going to be a hard winter in corporate finance, and spring may be very late.

### CONTENTS

<b>Family &amp; Finance:</b> How will stock markets react to a Gulf war?	III	<b>Travel:</b> The very best of '91: where to go and what to do	XII-XVI
<b>Food &amp; Wine:</b> Keep the best of the southern Rhône	VII	<b>Arts:</b> Was Glasgow's Year of Culture really worth it	XX
<b>How To Spend It:</b> Lucia van der Post gets fit to face the '90s	VIII	<b>Private View:</b> Bruce Kent, the 'peacenick priest'	XXII
Arts	XII-XVI	Private View	XXII
Books	XVII	Property	XXIII
Bridge	XVIII	Sport	XXIV
Class	XIX	TV & Radio	XXV
Crossword	XX	Travel	XXVI
Finance & the Family	XXI		
Food & Wine	XXII		
Gardening	XXIII		
How To Spend It	XXIV		
Property	XXV		
TV & Radio	XXVI		

**THE BEST**

**A NEW OFFSHORE HIGH YIELD EUROPEAN BOND FUND**

**1% LAUNCH DISCOUNT**

UNTIL 25 JANUARY, 1991

**GUINNESS FLIGHT**

GUINNESS FLIGHT announce the launch of their European High Income Bond Fund - an offshore "sister" to the highly successful EMU onshore unit trust, which was launched in October.

At present, high European interest rates are generating attractively high yields from bonds. But predictions are that rates will converge following the trend towards European Monetary Union. When this happens, the yields on high-yielding European bonds should fall, causing their prices to rise and creating real prospects of significant capital growth.

Meaning that investors in the European High Income Bond Fund really do get the best of both worlds: high income and capital gain.

This new fund has the substantial backing of Guinness Flight's expertise as leading international fund managers, and offers the benefit of being part of the Guinness Flight Global Strategy Fund Limited.

With nearly \$300 million under management, and a total of 29 subfunds available, the Global Strategy Fund offers as much investment choice and flexibility as the most demanding investor could require.

**CALL YOUR FINANCIAL ADVISER, RETURN THE COUPON, OR CALL JAMIE KILPATRICK ON (0451) 712176 FOR FULL DETAILS.**

Past performance is not necessarily a guide to the future, the value of shares and income from them may fall as well as rise.

Return to Guinness Flight Fund Managers (Guernsey) Limited, Guinness Flight House, PO Box 250, La Fosse, St Peter Port, Guernsey, CHANNEL ISLANDS

Please send me further information on the European High Income Bond Fund.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

POST CODE \_\_\_\_\_

Between 10 Guinness Flight Fund Managers (Guernsey) Limited, Guinness Flight House, PO Box 250, La Fosse, St Peter Port, Guernsey, CHANNEL ISLANDS

Please send me further information on the European High Income Bond Fund.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

POST CODE \_\_\_\_\_

This advertisement has been issued with the approval of Guinness Flight Global Asset Management Limited, a member of BMO and Lloyds and investment adviser to Guinness Flight Global Strategy Fund Limited - A Guinness Flight Fund and UK Registered Collective Investment Scheme.

مكتبة الأصيل

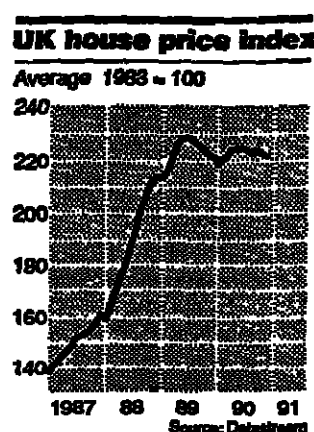
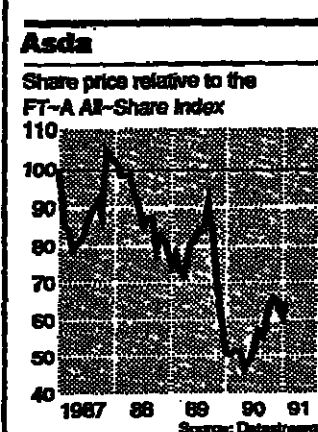


## MARKETS

LONDON

## Watching and waiting

## FINANCE &amp; THE FAMILY: THIS WEEK



## Glimmer of hope for the housing market

The housing market is showing overdue signs of recovery, according to Halifax Building Society's monthly survey. The survey suggested that in London and the south west house prices rose for the first time in two years over the final quarter of 1990.

But nationally the trend was still flat and depressed. Prices dropped by 0.3 per cent during December, leaving a total increase of only 0.5 per cent for the year. The Halifax tentatively predicts a recovery of around 5 per cent in house prices nationwide for 1991, but only if interest rates are cut to at least 12 per cent in the next few months. *John Athers*

## Bullish Asda trading statement surprises market watchers

Shares in Asda had a turbulent week, rising by around 5 per cent in spite of a substantial cut in interim profits, down £22m to £51m. Market watchers were surprised by a bullish trading statement released by the company after the result, which blamed continuing interest payments on loans taken out to buy 60 Gateway stores in 1989. Underlying operating profits were up 30 per cent.

Asda's figures were no worse than expected, and so analysts' predictions of full-year profits of £180m remained unchanged, although this implies strong resilience in a recession. *JA*

## Framlington launches new high-income PEP

Framlington, the fund management group, has launched a new high income personal equity plan, which will invest conservatively in trusts and blue-chip equities. Managers intend to put as high a proportion of the plan as the law allows in specialist investment trusts, particularly income shares. Framlington accepts that the outlook for dividends in 1991 is uncertain.

The group hopes for a yield of about 9 per cent. The management charge is 5 per cent of the initial investment, with an annual charge of 1.5 per cent of the value of the plan, and dealing commission of 0.2 per cent. *JA*

## Scottish EZT launch sponsored

Greig Middleton, the stockbroker, has sponsored the launch of the first Enterprise Zone Trust to be formed in Scotland. Investments in enterprise zones carry 100 per cent tax allowances, making EZTs very tax-efficient for top rate taxpayers provided they keep their holdings for five years. The Greig Middleton EZT will buy shares in a Dundee office block which has been pre-let to the Inland Revenue and HM Customs & Excise. This means income from rent should be steady.

Loan arrangements have also been made with the Royal Bank of Scotland so that an initial investment could be made with virtually no cash outlay - 40 per cent of the investment would come in the form of a tax rebate, and the other 60 per cent would come from the loan. Interest on the loan also qualifies for tax relief. Minimum investment is £5,000, and there is no maximum. *JA*

## Advisers face fees rise

Independent financial advisers face a substantial rise in their regulation fees for the next financial year starting April 1.

The Securities and Investments Board is putting up its fee required from the Financial Intermediaries, Managers and Brokers Regulatory Association by 13 per cent to £2.22m. The fees required by Fimbra from its members to cover its own operating costs could well rise by this amount and the number of Fimbra firms has declined over the past year by 9 per cent from 6,100 to 7,400.

Even if no more member firms leave and become tied agents or switch to Imro (Investment Managers Regulatory Organisation), advisers can expect fees to rise by 25 per cent. *Eric Short*

## INSIDE...

## Guarantee for US deposits

Do you have a bank account in the US? Are you worried by the steady flow of reports about bad debts and bank failures such as last Sunday's government rescue of the 300-branch Bank of New England? If you are a depositor with a US institution, then relax: you are in good company, says Alan Friedman. *Page IV*

## Balance is the secret

The secret of long-term investment performance still seems to be a balanced spread of equity holdings. That is the lesson of an analysis of long-term unit trust performance, writes Philip Coggan. *Page IV*

BRIEF CASE: The onus on a bonus: *Page V*

IT WAS a week spent watching peacemakers going President George Bush's "extra mile for peace."

Last ditch talks between James Baker, US Secretary of State, and Tariq Aziz, his opposite number in Iraq came and went. They were followed by a final United Nations effort to persuade President Saddam Hussein that the coalition was serious about using arms if necessary after the UN deadline expires on Tuesday.

But as René de Coster, UN Secretary General, headed for Baghdad, it seemed the markets had already taken the measure of the Gulf Crisis, believing more than any politicians that President Saddam meant it when he said "Kuwait is an inalienable part of Iraq."

The first full week of the New Year, started with pessimism about the prospects for the US-Iraqi talks in Geneva and ended with war in the Gulf widely seen as inevitable. The FT-SE 100 index ended 20 points down at 2,106.1.

On Tuesday the index fell below the support level of 2,100

for the first time since November 13 and only closed at 2,126.9 on Wednesday because the six hour Baker-Aziz talks were still being characterised as "substantive."

New York better reflected the markets' to-and-fro on Wednesday, when the Dow Jones Industrial Average rallied 44 points in the morning before closing down 39.11 at 2,470.30, a performance followed inversely by oil prices.

Against the rising clamour of war preparations, the UK market also had to contend with increasing economic gloom. Prime Minister John Major's reassurance that the government was "coming to grips with inflation" was little comfort to companies facing growing problems with their balance sheets.

Official figures showed that UK company profits registered their steepest quarterly drop in 10 years between September and November, a fall of 7.8 per cent on the previous quarter and down 3.1 per cent on an annual basis. On top of this the retail sales decrease in November

was revised to a larger fall of 1.3 per cent, and new car registrations - that measure of modern well-being - recorded their steepest monthly fall ever in December.

If there was anyone who thought the new year would bring some respite from woeful company results, they were soon disillusioned by the opening of the banking season. Though unconnected, the US administration's declaration on Sunday that the Bank of New England was insolvent, was hardly a propitious omen.

The TSB, which is the UK's sixth largest bank, set the tone by announcing it would sell subsidiary to Equity and Law, the life assurance company, two years after it bought it for £227m.

Provisions against losses on this sale and disappointing results from the corporate banking side, helped hold TSB to what analysts said were disappointing pre-tax profits of £312m.

An issue that might have been expected to cast bright-

ness on the City - the privatisation of Power-Gen and National Power, the government's two non-nuclear electricity generators - also disappointed.

The government, perhaps chastened by criticism that the City had done too well from the sell-off of the 12 electricity distribution companies last month and that it had set the price too low, set tough guidelines for the February flotation.

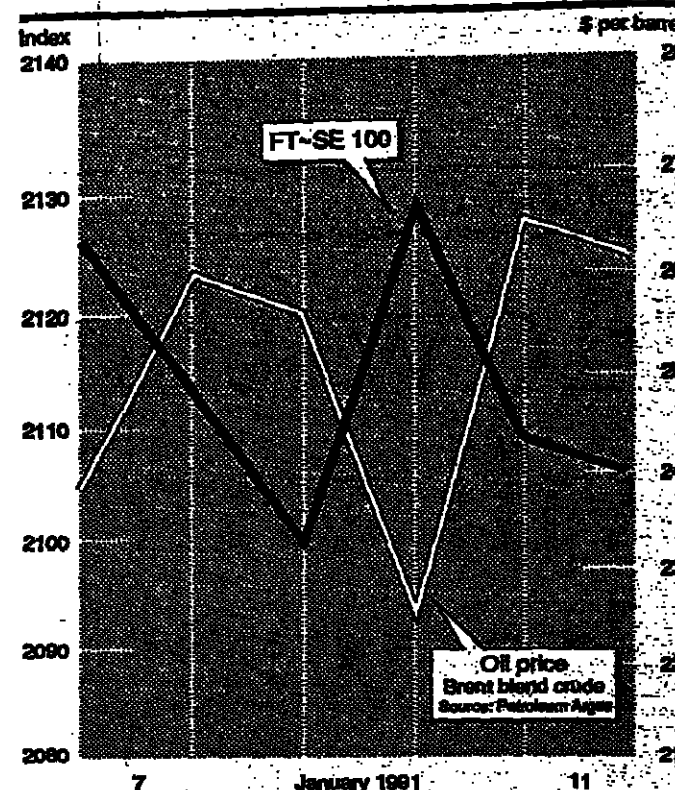
It decided to retain 40 per cent of the companies for a period, reducing the size of the flotation to £1.8bn. And underwriters will be invited to bid for shares at levels above the fixed price at which most of the issue will be sold.

Falling into this pool of despondency came a \$40m bid by William Cook, the Sheffield-based family group, for Telfor, a locomotive, rolling stock and engineering group struggling with some peripheral investments that have turned sour.

The deal has attracted considerable interest for its size, not only because it is virtually the only hostile bid in town. It also involves an intriguing eastern European angle, with Telfor's controlling interest in a Hungarian supplier of rolling stock to the government triggering the possibility of a counter-bid from an Austrian-quoted engineering company, Jembacher Werke.

Also entering the takeover game was Strategem, the investment company, which launched a £5.6m bid for Touchstone just as the computer services company had started merger talks with Ferranti Holdings, a company in the same sector.

The week also saw the failure of Rascal Electronics' bid to launch its Government Telephone System, which would have supplied data and voice communications between government departments. The failure of Britain's largest remain-



ing electronics company to agree a price with the government has further complicated plans for the demerger of Rascal Electronics announced last year by Sir Ernest Harrison, the chairman.

While one big City name was announcing some bad news for its future, another revealed how it planned to extricate itself from its past troubles. Saatchi and Saatchi, the troubled advertising group, launched a reconstruction plan involving the replacement of £311m of preference shares with new equity.

The dilution is unlikely to please Saatchi's ordinary shareholders who might view the plan as too favourable for the company's banks.

Then local and long-suffering shareholders at Norton Group, the maker of some of Britain's most famous motorcycles, heard further bad news on Monday with the announcement that the Department of Trade and Industry had launched an investigation. Mr Philippe Le Roux, later

resigned as chief executive, after failing to pay for some Norton shares purchased on his behalf.

But this week's price for Nevada must surely go to the merchant bank S.G. Warburg for the timing of its \$50m rights issue on behalf of London International Group.

Having assessed the Gulf uncertainty, Warburg decided it was still the right time to refinance the rubber-to-plastic copying-products group's debt in order to secure future growth.

Second prize in the Nevada contest must go to S.G. Warburg Securities for its cleverly declaring that in spite of the Gulf gloom and the economic "equity valuations are looking increasingly tempting on any longer term view."

Or perhaps not. Maybe the analysts have resurrected the Rothschild idea that you should sell on the rumour of war and buy when shots are fired.

Richard Gourlay

## SMALLER COMPANIES

## New guides, old worries

FROM THIS week, the *Financial Times* will be publishing the two key indices which track the performance of smaller companies every Saturday.

The aim, at this gloomy point in the cycle of small company performance, is to give a guide to those investors who have remained with the sector or who are still hoping for an upturn.

The Hoare Govett range of indices have a base date of January 1987, although figures have been produced back to 1955.

The principal index (HGSIC), which we shall be quoting, has as its constituents the group of companies which together make up the lowest tenth of value of the main UK equity market. At the start of 1990, the market there were some 1,200 companies, or nearly three quarters of all main market groups, contained in the index.

Although Hoare's figures confirm the long term outperformance of small companies, the index has risen less than 1 per cent from its base of 1,000 in 1987.

County's range of indices was launched at the end of December 1987 and include all stocks with a market capitalisation less than the qualifying limit - currently around £12m.

The main index - the combined smaller companies index (CSCI) - was launched in December 1987 with a value of 1,000. Its month end peak was reached in July 1989, when it hit 1,327.8, but then followed a sharp decline. The index had dipped below 1,000 by the end of August 1990 and below 900 by the end of September. As the table shows, at close on 10 January the index stood at 822.3.

Even that slump does not show the full horror of small company underperformance. Included in the main CSCI are several small investment trusts. These trusts tend to be invested in large company stocks and thus their share prices do not behave in the same way as those of other small companies. So County has also constructed a CSCI (ex-investment trusts index) which from its base of 1,000 in December 1987 has fallen even further - to 790.

For comparison, the FT-A All-Share has risen over the same period from 870.2 to 1,013.8, while the FT-SE 100 has risen from 1,727.7 to 2,106.1.

Long-suffering Unlisted Securities Market investors will probably not be surprised to learn that they have come out worst of all.

County also produces two indices, separating the main market from the USM smaller companies; while the former has fallen to 848.9, the latter has plunged to 703.

**Dec 10 Indices**

	1989.76	1990.76	1991.76
HGSC	1000.00	1000.00	1000.00
CSCI	822.3	822.3	822.3
CSCI (ex IT)	790.0	790.0	790.0
CSCI (A)	848.9	848.9	848.9

While the *FT* will be publishing only the main CSCI index on a regular basis, we will keep a close eye on the other indices and alert readers to any notable developments.

The notable development that most investors will want to see is a recovery in small company shares. There was only limited cheer at that score this week from a survey of the sector by analysts at Phillips & Drew.

Phillips & Drew's team feels that small to medium company shares do not offer good value yet in aggregate.

However, the team points out that in the 1979-82 economic downturn, "the consumer goods sector held up better than the economy as a whole through the downturn" and came out of the recession with a quick recovery. Thus P & D believes there is value in some consumer-related small company stocks.

"We believe the 1990s time for stock selection is the ability of the business to grow organically," says the P & D circular. "Accordingly, we favour companies with experienced management and prudence in their financial accounting."

"In summary, whilst we expect continued difficulties in the trading outlook for small to medium companies, particularly during the first six months of 1991, we would be looking to buy selectively into the pain. Our view is the greater the pain, the more aggressively we buy small to medium companies."

Private investors might take a tip from a survey of institutional fund managers conducted by Brunswick Public Relations. The survey of 30 smaller company fund managers found that the measures of performance they watched most closely were the price/earnings ratio and the gearing level. However, the funds also looked at interest cover, net asset value versus share price and the size of stake held by management.

When asked for sectors they found currently most interesting, many managers were reluctant to answer on the grounds that they adopted a stock-picking rather than a sectoral approach.

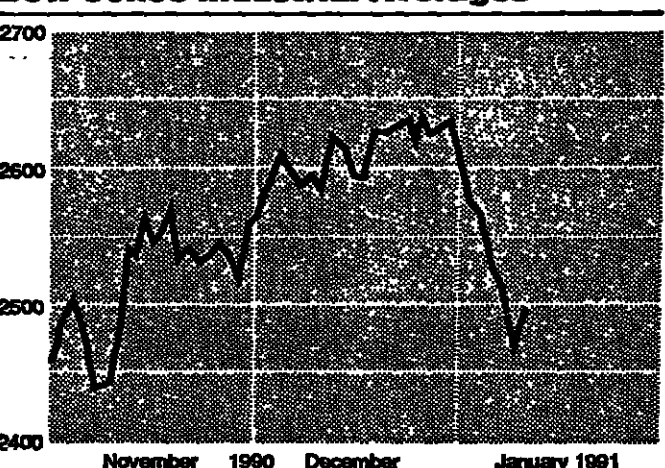
However, more than half the managers said that they were currently avoiding the property sector.

Phillip Coggan

## WALL STREET

## The only news is war news

## Dow Jones Industrial Averages



The question now is to what extent a Middle East war is already factored in to US share prices, which would limit a further plunge on an outbreak of hostilities or produce a sharp rally in the event of an Iraqi climb-down.

The market is at least partly discounting a short, sharp war in which US military firepower would rapidly overwhelm Iraq and mean little disruption to oil supplies. But that seems unlikely to prevent a further steep drop in equity and bond prices, though possibly of fairly short duration, if hostilities appear imminent or do break out. War is messy, information tends to emerge from the battlefield slowly, and jittery markets move fast on rumours.

Would any such plunge provide a great buying opportunity? That would depend in part on whether the fight was indeed short and sharp, and partly on the prospects for the recession-hit US economy, with or without war.

Corporate America's latest financial reporting season gets under way next week and it could produce some nasty shocks, putting further downward pressure on equity values. It is a grim coincidence that Chicom, the largest of the New York money centre banks and a business with a very problematic loan portfolio, will be announcing its 1990 results on Tuesday, Middle East deadline day.

The Federal Reserve's increasingly aggressive easing

will go some way to alleviating corporate America's difficulties. The Fed's cut in the key Fed Funds rate, from 7 per cent to around 6%, surprised some analysts, who had interpreted recent employment data as suggesting that recession might be short. However, the Fed is rumoured to have moved after seeing figures showing very sluggish growth in money supply, indicating a further slowdown in bank lending.

The reasons for the credit crunch were graphically underlined on Monday when Bank of New England, the second largest bank in the Boston area, filed for bankruptcy after Federal regulators declared it insolvent. BNE failed because it was horribly over-exposed to the recession-hit property sector. But some property portfolios are causing most banks down the Eastern seaboard to restrict credit.

BNE had been so long dying - the writing first appeared on the wall a year ago - that its demise had little effect on the markets. The same was true of Pan Am, once synonymous with glamorous international air travel, which filed for Chapter 11 bankruptcy protection from its creditors on Tuesday.

The move will give the cash-strapped airline a breathing space to restructure its finances and try to complete the controversial sale of its London routes to United Airlines. But its creditors want to hear that sale, and a motley collection of creditors has gathered around the faintly breathing body in search of juicy parts. *Sic transit gloria mundi.*

Monday 2622.77 - 42.38  
Tuesday 2599.00 - 12.26  
Wednesday 2470.3 - 39.11  
Thursday 2488.76 - 28.46

Martin Dickson

## COMPANY PROFILE

## A Kalms influence in the retail sector

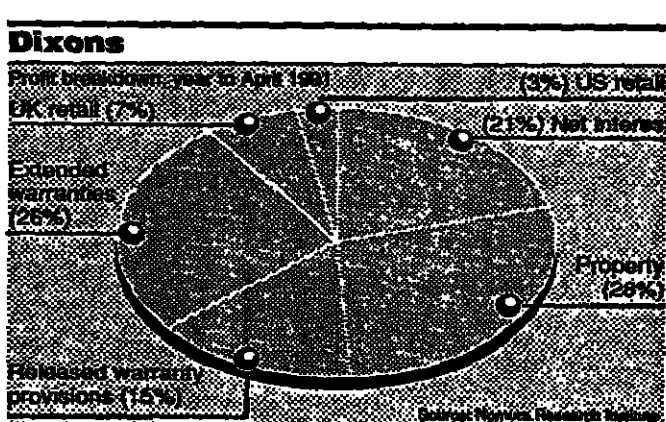
STANLEY KALMS, chairman of Dixons, pepped up a depressed retailing scene this week by suggesting that the electrical retailer's recent sales pattern indicated that it was emerging from recession.

This was surprising for two reasons. First, Kalms made the suggestion at the same time as he presented a sharp drop in Dixons' interim pre-tax profits from £32m to £27.2m.

Second, the statement came as other retailers and government statisticians have been reporting that the high street trading climate has been deteriorating.

Kalms is a great believer in the cyclical nature of the retail market and he argues that because Dixons was one of the first retailers to encounter tough trading - in 1987 - it will be one of the first to emerge from it.

Kalms says that since August the company's sales have shown a consistent upward trend. He says the substantial restructuring that has



taken place at Dixons in the last few years will allow it to take advantage of this upturn to the full.

At the end of the half year, Dixons had 347 electrical stores under the Dixons logo. These stores mainly sell "brown" goods such as audio equipment and televisions but have recently achieved strong sales of new products such as cam-

corders, portable compact disc players and home computers.

Dixons also owns the Currys chain, which it bought in 1984. This now has 443 stores trading in the high street and 90 superstores trading in out-of-town locations. These stores offer a higher proportion of "white" goods - such as fridges, ovens, and washing machines but because these

are more closely related to the weak housing market their sales have been depressed in the past few years.

During difficult trading times, Dixons has made very little money on selling electrical goods, and indeed in the half year probably made a small loss (the company no longer breaks out the source of its profits).

The main money spinner for Dixons' UK retailing division comes from the sale of customer warranties, which are effectively insurance policies for the company's sophisticated electrical goods. Some 600,000 policies were sold in the half year.

Dixons has also benefited from releasing the excess provisions it has made against warranty claims. Last year, the company released £10m and will release the same sum again this year and next.

Dixons also owns 229 electrical stores trading under the Silo name in the US. Silo has fared badly in the retailing

market and incurred operating losses in the six months. The Supamart chain of 87 photographic shops, acquired in 1986, completes Dixons' retailing armory, although this business is still establishing an effective presence on the high street.

Dixons' retailing activities are bolstered by a portfolio of good quality properties which are held in several European countries. These have contributed strongly to profits in recent years despite the malaise in the property market.

In the past Dixons has perhaps relied too much on Kalms' leadership. One analyst has described it as "management by intervention" as Kalms has toured the company

kicking underperforming areas of the business into shape.

But Dixons has won praise in the City for appointing senior managers who have paid close attention to cost structures, trading locations, distribution systems, and service.

Despite the changes some retail analysts remain sceptical of Dixons' retound optimism and suggest that the company still has an uphill struggle.

"Dixons has undoubtedly done a lot of impressive work on margins and costs. But according to our economic forecasts the improved trading certainly will not last," says John Smith, of UBS Phillips & Drew.

John Thornhill



## FINANCE &amp; THE FAMILY

Philip Coggan reports on how world markets could react to a Gulf conflict

## What price war — or peace?

WAR MAY be declared in the Gulf this Tuesday. While the main concern for most people is that casualties should be as low as possible, what will be the effect of the crisis on the world economy, and on stock markets, interest rates and currencies? Could we see a repeat of 1974, when the UK faced dire economic trouble and the stock market reached undreamt-of depths?

The problem for investors is that analysing the diplomatic and military moves of the US and Iraq is even more difficult than assessing the normal economic criteria that affect the stock market.

But a sign of the nervousness of the stock market was shown on Wednesday. The Dow Jones Index climbed over 40 points as the sheer length of the Baker-Aziz discussions created hopes for a peaceful solution. But when Baker said that talks had failed, the market plunged to a 40-point decline on the day.

There are probably four main potential scenarios that may follow the January 15 deadline for the Iraqi withdrawal from Kuwait. A quick war with a Western victory. This may be the best solution from the market's point of view. "The market consensus is now probably for a short term war, limited in both duration and scope," says Bill Smith of Barclays de Zoete Wedd.

There would probably be an immediate fall in the stock market on the outbreak of hostilities, most observers believe, accompanied by a

sharp rise in the oil price. Michael Hart, of Foreign & Colonial Investment Trust, says: "The old adage is to buy at the sound of guns and sell at the sound of trumpets. Quite a few investors would be cautious buyers at the outbreak of war." The market's initial fall might be limited as investors wait to see how the fighting progresses.

A prompt victory would probably cause the markets to surge in sheer relief. Another positive factor, according to Bob Semple, of County

hally warm welcome from the markets — and a fall in the oil price. However, the welcome would be muted if the peace was not seen to be credible, and the world economy's fragile nature limits the upside.

A peaceful solution that left Saddam with part of Kuwait would undermine the credibility of the new world order," believes BZW's Smith. "Aggression will have been rewarded." In addition, analysts fear that, with Saddam still in

A lengthy conflict. This would undoubtedly be the worst outcome for everyone, markets included. "The market has not fully discounted the effects of a long drawn out war," believes Phillips & Drew's Brown. "A war that lasted six months with a \$50 to \$60 oil price could knock a percentage point or so off world growth and add a point on inflation. The markets could easily lose 15 to 20 per cent."

If the war lasts much longer than a week or so, the markets could soon start to be nervous. "Without a quick victory," says County Nat-West's Semple, "America will have been seen to have failed and disillusionment will set in."

Short of the use of nuclear weapons, or damage to the Saudi Arabian oilfields, experts are not expecting an economic or financial crisis on the scale of 1974. A lot will depend on how governments react to the crisis, according to BZW's Smith. "Governments could well use their strategic stockpiles to control the oil price and ease monetary conditions by lowering interest rates in order to bolster consumer confidence," he says.

Analysts are thus relatively sanguine about the prospects for the stock markets. "I'd be very surprised if it was as nasty as the 1987 crash," says Foreign & Colonial's Michael Hart. "But one might easily see a 100 point fall in a day." The downside may be no more than 10

## 'A prompt victory by the Western allies would probably cause the stock markets to surge in sheer relief'

Nat West is that "there would be a quick fall in the oil price." Saudi oil production would be safe and there would be the prospect of Iraqi oil production coming back on stream eventually.

But the rebound in share prices would be limited, the markets have a world recession on the face, after all. "There's probably no more than 10 per cent on the upside if the crisis was solved quickly," believes Mark Brown, of Phillips & Drew.

A limited, or total, withdrawal by Iraq. This would certainly be the best news for the troops of both sides and would probably receive an in-

power, the prospect for conflict in the Middle East would remain.

The headline passes and nothing happens on either side. This scenario has attracted little comment, but is worth considering in the light of US military remarks about the Alibis' unpreparedness for conflict. Such a period of tension would probably cause markets to drift lower. "Institutional investors will not be prepared to take decisions on something they can't forecast," says Simon Briscoe, of Greenwell Montagu. With little business in the market, traders will mark prices lower in an attempt to drum up volume.



per cent," says Semple.

One currency to suffer would probably be the US dollar. In the initial stages of conflict, the dollar would benefit from its traditional "safe haven" status for worried investors. But US interest rates are not currently attractive enough to entice investors for long; a prolonged war would involve great costs for the US, exacerbating the country's balance of payments and budget deficits.

The effect on bond markets is a subject of greater debate. Many in the City believe that this could be the year for bonds, since they feel both interest rates and inflation are likely to fall throughout 1991. But at times of crisis, investors tend to flock to short term instruments such as Treasury bills — as shown by the fall in bond prices that followed the failure of the Baker-Aziz talks. And a prolonged Gulf War would, by keeping oil prices high,

force up inflation — bad news for bonds.

Although the markets may seem obsessed with the Gulf crisis, the preceding analysis indicates that the scale of their reaction is likely to be fairly limited whatever the outcome. The risks to the economy and stock markets are probably greater on the downside than the upside: private investors can probably afford to sit on the sidelines while the crisis resolves itself.

## Tessas: who offers what

WITH THE launch of Tessas, Tax-Exempt Special Savings Accounts, the banks and building societies are having to compete fiercely for savers' deposits.

Already, just two weeks after Tessas came into operation, a handful of banks and building societies have been forced to raise the interest rate on offer to Tessas-holders in order to appear more attractive.

For example, Abbey National raised its Tessas rate from 13.8 per cent to 15 per cent; Midland Bank and its telephone

banking arm Firstdirect raised theirs from 13.5 per cent to 14.5 per cent on all Tessas balances; and Barclays lifted its rate from 13 to 14 per cent.

Thousands of investors want to keep their savings in a tax-free form so they can receive the interest gross. However, many of them are having difficulty choosing a product; there are scores of Tessas, the market and the range of interest rates, bonuses and penalties is confusing.

In most cases the interest rate is variable, so while the

rate may appear attractive today, the bank or building society offering the Tessas is free to lower the rate next week or next month — or whenever there is a cut in the base rate.

Alan Torevell, of Torevell Mahon Granville, says it makes sense to choose a Tessas where the rate is at least 13.5 per cent (plus a loyalty bonus) and where the penalties for transferring to another Tessas are negligible or non-existent. This means that you can hop from one Tessas to another if

you find a better offer elsewhere.

In fact, it seems likely that any bank or building society which intends to keep its rate competitive probably will not impose a penalty on transfer because its rate will be good enough to keep customers loyal. But do look out for the penalty, says Blay's Guide.

Blay's Guide has compiled the table of rates printed below and has provided the following additional information.

Sara Webb

Building Society/ Bank Account Name	Telephone	Min. (£)	Int. %	Int. GR. Car. paid
Abbey National	071-224-2241	1	15.00	Y
Abbey National	0825-72222	7,000	11.25	Y
AIR Bank	0895-72222	2,500	13.55	Q
Alliance & Leicester	0273-775454	10	14.50	Y
Alliance & Leicester	0273-775454	3,000	14.48	M
Allied Tat Bank Premier	071-628-6802	8,000	14.71	Y
Allied Tat Bank Plus	071-628-6802	8,000	14.71	Y
Allied Tat Bank Plus Monthly	071-628-6802	9,000	14.71	M
Bank of Scotland	081-442-7777	1	13.42	Y
Barclays Bank	071-628-1887	25	13.00	Y
Birmingham Midshires-Lump Sum	0802-710710	1,500	14.00	Y
Birmingham Midshires-Savings	0802-710710	25	13.50	Y
Bradford & Bingley-Classical	0274-555555	25	11.00	Y
Bradford & Bingley-Classic	0274-555555	100	14.00	Y
Bradford & Bingley-Optimum	0274-555555	600	13.00	Y
Bristol & West	0272-294271	3,000	13.50	Y
Britannia-Flexi	0538-399399	250	10.50	Y
Britannia-Monthly	0538-399399	250	12.00	Y
Britannia-Plus	0538-399399	3,000	15.00	Y
Buckinghamshire	02407-3064	150	14.00	Y
Calendonian Bank	031-558-8235	1	13.50	Y
Cambridge B Society	0223-315440	1	13.75	Y
Cater Allen	071-628-2070	150	14.37	M
Chelsea B Society	0242-521391	150	13.00	Y
Cheltenham & Gloucester-Flexi	0452-372372	100	12.00	Y
Cheltenham & Gloucester-Maxi	0452-372372	3,000	15.00	Y
Cheshire B Society	0825-613812	100	14.50	Y
Chestnut B Society	0892-28281	500	13.33	Y
Chorley & District-Rainbow	02572-79373	500	11.80	Y
Clydesdale Bank	041-248-7070	10	13.10	Q
Crested Bank	0223-324520	1	14.00	Y
Coverly B Society	0203-552555	1	13.50	Y
Coverly B Soc-Monthly	0203-552555	1	13.50	M
Cumberland B Soc-High Int	0228-41341	3,000	12.00	Y
Cumbria B Society	0228-41341	1	12.00	Y
Darlington B Society	0225-457171	1	14.00	Y
Derbyshire B Society	0332-841791	25	10.00	Y
Derbyshire B Soc-C'll Sav.	0383-721821	100	13.50	Y
Derbyshire B Soc-Max C'll	0383-721821	1,800	14.50	Y
Dunfermline B Soc-M'thly	0383-721821	1,800	13.50	Y
Dunfermline B Soc-Rag M'thly	0383-721821	10	13.90	Y
Ecology B Society	0835-593533	500	12.35	Y
Exeter Trust	0892-50833	250	15.03	Q
Firstdirect	0800-222000	1,000	14.50	Y
Furness B Society	0223-24520	1,000	13.00	Y
Gartmore Money M'tment-Plus	071-236-1425	1,000	13.10	Q
Gartmore M'tment-Prime	071-236-1425	1,800	13.85	Q
Gartmore M'tment-Saver	071-236-1425	100	12.55	Q
Greenwich B Society	061-658-8212	250	14.00	Y
Hallifax B Society	0422-333333	25	13.50	Y
Hartley Economic B Soc.	0782-208733	1	13.50	Y
Heart of England	0628-405111	100	14.50	Y
Hindley & Rugby B Soc.	0455-251234	500	12.25	Y
Holmesdale B Society	0737-245716	1	14.00	Y
Ipswich B Society	0473-211021	100	13.00	Y

Tessas remains with the Society for the full five years. Rate guaranteed to be at least 3% above gross Ordinary Share rate. Transfer requires 30 days' notice.

B and B Maximiser High Return: Maximum annual contribution is made automatically to the Tessas each year. The balance currently earned is 15% but is taxable. A loyalty bonus of 1% per annum (max bonus at current rates £283) paid at maturity if Tessas remains with the Society for the full five years. Rate guaranteed to be at least 3% above gross Ordinary Share rate. Transfer requires 30 days' notice.

B and B Optimiser: A loyalty bonus of 1% per annum (max bonus at current rates £287) paid at maturity if Tessas remains with the Society for the full five years. Minimum additional investment £200. Rate guaranteed to be at least 5% above gross Ordinary Share rate. Transfer requires 30 days' notice.

Bradford & Bingley SS Flexi: For Special Bonus etc investors only. Must be opened by March 31. If Tessas remains with the Society for the full five years, a terminal bonus of £200 is paid on investments of £5,000 to £5,999; or £500 for investments of £3,000. Transfer requires 90 days' notice and 90 days' lost interest.

Buckinghamshire BS: Transfer subject to £25 fee.

Calendonian Bank: Bonus of 1% (max £30) of capital invested in first year paid at maturity if Tessas held with the Bank for the full five years. Cambridge BS: Loyalty bonus of 1% (max £30) on first year's capital investment paid at maturity if Tessas remains with the Society for the full five years.

Cheltenham & Gloucester: Minimum monthly investment £100. Net interest portion can be paid out monthly. £25 fee for transfers. Cheltenham BS: If account opened before March 31 and remains with Cheltenham for full five years, a 5% bonus (max £150) on first year's contribution is paid at maturity. Partial withdrawals not permitted.

Cheltenham & Gloucester SS Flexi: Additions to the £100 opening balance can be made at any time. Net interest may be withdrawn upon request. No fee for transfers. C & G Maxi: Available to new or existing investors in London Share account (or Cheltenham held at lower rate) with Tessas rate as the same gross CAR applicable to the parent account. Transfer each year from parent account of max permissible investment. Credited net interest may be withdrawn upon request. No fee for transfers.

Cheshire BS: Interest rate will be same as the (variable) mortgage rate for 1991. From 1992 onwards rate will be mortgage rate minus 0.5% if max £3,000 invested in 1991, or mortgage rate minus 1% if under £3,000 invested in 1991. £25 fee payable on transfer.

Chester BS: Bonus of 1% (max £30) on capital balance at maturity if remains with Society for full five years, paid at maturity. 90 days' notice required for transfers and withdrawals.

Chorley & District BS Rainbow: 3% above gross rate for the first two years — the first £500 of balance paid at maturity if no withdrawals made and the Tessas remains with the Society for the full five years. 90 days' notice required for transfer.

To be continued next Saturday

## The danger of feeder accounts

WHAT HAPPENS if you wish to move your current account from the bank or building society where you have your mortgage? Most people would not expect to face any problems, but a reader has a complaint about Lloyds Bank in this respect.

Mr F had a current account and a mortgage account with Lloyds Bank. When he encountered problems with his current account he decided to transfer to Barclays Bank.

Mr F claims that he was forced to close his mortgage account with Lloyds. "They said that as I did not have a current account with Lloyds, they were giving me three months' notice even though I

was not behind in my repayments. As I was unable to get any advice from the Consumers' Association about whether this was legal... Lloyds has therefore forced me to use £700 of my

rainy-day money to remortgage the house through a building society," he claims.

Lloyds says that its banking code means it cannot comment about specific customers without their permission but that the bank denies that Mr F was forced to move his mortgage account.

However, Lloyds says that if you have a mortgage account with it, you also need to have a separate account which makes the monthly payments to the mortgage account. This "servicing" account does not necessarily have to be the customer's main or current account, and Lloyds says that

in many cases the only transaction carried out by the servicing account is simply to transfer money to the mortgage account.

Barclays too insists on mortgage customers having a feeder account which makes the payments into the mortgage account where both are held at a local branch.

However, as Barclays has taken to centralising its mortgage business, this system does not apply to customers who have a mortgage handled by the central system.

Other banks such as Midland would prefer it if the customer had a current account as well

as their mortgage account, but claim not to insist upon this. "We like to be able to see where the money is coming from," says a spokesman.

Mortgage lenders such as Abbey National and the Halifax do not generally insist on mortgage customers having a servicing account, although Halifax did have a special offer at the beginning of 1990 for first-time buyers whereby if they wanted a mortgage, they could get a 0.7 percentage point discount off the 15.4 per cent mortgage rate provided they paid by standing order from either a Maxima Chequebook account or the Halifax Cardcash account.

If you are thinking of moving your current account, check first to see whether it will affect your mortgage account at the same bank or building society.

Sara Webb

## THE SCOTTISH MORTGAGE AND TRUST PLC

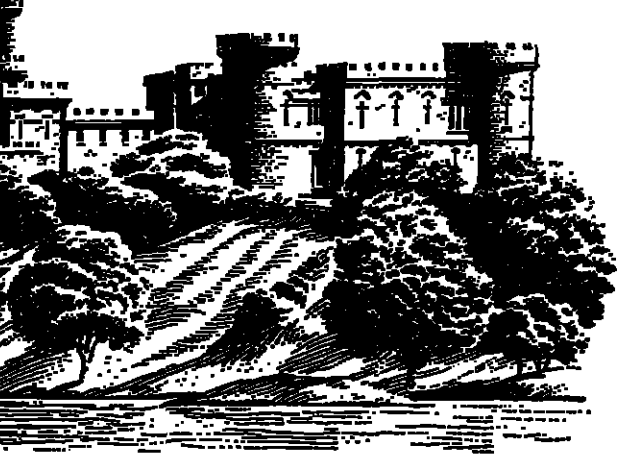
## At times like these, investors should look for a sound defensive position.

In difficult times, every investor faces the same dilemma. Whether to rally forth in search of undervalued bargains, or to pull up the drawbridge and wait for a better climate.

A regular monthly investment in Scottish Mortgage gives you the best of both worlds.

Scottish Mortgage is an extremely large international investment trust which seeks to achieve growth in both capital and dividends.

It is managed actively but not aggressively: its record of performance shows sound and steady progress, with growth of no less than 439% over the last ten years.



The argument for investing regularly, from as little as £30 every month, through the Baillie Gifford Investment Trust Savings Scheme, is particularly strong at a time when markets are weak.

The point is that your monthly investment buys more shares when prices are low, so you benefit from a larger holding when markets rise.

Indeed, it is our view that if you are investing for the long-term, you will do better if you start to invest regularly now than if you wait for prices to rise.

Find out more about Scottish Mortgage, and about the

Simply complete and return the coupon below. Since share prices can fall as well as rise, an investor may not get back the amount invested, and past performance is not necessarily a guide to future performance.

To: Lindsay Gme, Baillie Gifford & Co, 10 Glenfinlay Street, Edinburgh EH3 6YU. Tel 031-225 2581. Fax 031-225 2368. Please send me full details of the Baillie Gifford Investment Trust Savings Scheme.

Name \_\_\_\_\_ Address \_\_\_\_\_

Postcode \_\_\_\_\_ FT 12/91

**BG**  
**BAILLIE GIFFORD & CO**  
Scotland's international investment managers.  
MEMBER OF INRO

This advertisement has been issued by The Scottish Mortgage and Trust PLC and has been approved by Baillie Gifford & Company. Baillie Gifford & Company are the Managers and Secretaries of The Scottish Mortgage and Trust PLC and are Managers of The Baillie Gifford Investment Trust Savings Scheme. The Scottish Mortgage and Trust PLC does not carry out investment business as defined in the Financial Services Act 1986 so it is not subject to the Act. \* Source: Macropol, mid-market prices with net income reinvested, 01.01.81 to 01.01.91.

مكتبات الأصيل



## FINANCE &amp; THE FAMILY

Clare Pearson previews the generators share offer

## Same packaging but different contents

IF YOU ARE one of more than 7m people who registered for shares in the 12 regional electricity distribution companies, a glossy information pack is now winging its way through the post to you, if it has not already arrived.

The pack is designed to prepare you for next month's share offer for the two generators, National Power and PowerGen. The marketing campaign for the next leg of the privatisation of the electricity industry, which will also comprise press and television advertisements, has begun.

There have been many changes of plan along the way to this part of the privatisation and several developments emerged even this week.

First, John Wakeham, energy secretary, announced a surprise government decision to sell only 60 per cent of shares in the two companies, reducing the expected size of the issue to about £1.8bn.

He said taxpayers' proceeds could be maximised by hanging on to the balance for a few

years. The market and the companies are still trying to work out the ramifications. At the most basic level, it will put the shares in shorter supply on flotation.

Second, institutional investors were dismayed to hear that Kleinwort Benson, financial adviser to the government, planned to introduce unusual features into the offer designed to make them increase the price at which the shares are sold.

Schemes include a tender, covering perhaps 20 per cent of the total offer, which will take place after the price for most shares has been struck in the third week of February. Underwriting institutions will have to submit bids above the fixed price.

However, as far as the private investor is concerned, procedures for investing will look similar to those in other recent privatisations.

The key features of the offer announced so far are:

■ Shares in National Power and PowerGen are being sold

initially in units comprising shares in both companies. That means investors will have to apply for shares in both companies in a fixed proportion - National Power is expected to account for about 60 per cent of the shares in the unit. As soon as stock market dealings start, trading in the two companies will be separated.

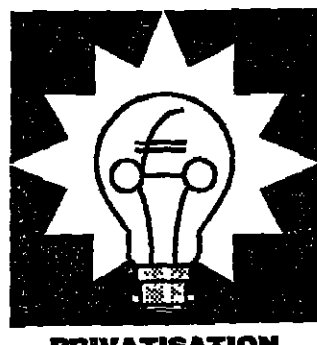
■ The share price will be identical for both companies. Most of the shares will be sold to the public at the fixed price but one part will be allocated to the tender.

■ Anyone, including children, may apply. Joint applications will be allowed.

■ Unlike the water and electricity flotations, payment will be in two rather than three instalments. The minimum subscription size will be £250 to £300 up front, and at least £500 on a fully-paid basis.

■ If you registered for the regional companies, there is no need to register again. If you did not, you can register by ringing 0272-273-272.

Registrants will be eligible



PRIVATISATION

for incentives and preferential allocations over other members of the public. Employees and pensioners of the two companies, and also of Nuclear Electric, get priority and preference in allocations.

Incentives have not yet been announced but are expected to comprise bonus shares after about three years and a cash discount off the share price.

Investors are warned against assuming that the generators are "the same" as the regional electricity companies. As the brochure describing the companies says: "The main business of National Power and PowerGen is the generation and sale of electricity in a wholesale market, competing both against each other and against other generators. This is a fundamentally different business from that of the 12 regional electricity companies."

that many are shifting their deposits and business from banks that are seen to be weak to those which appear to be more solid - banks such as J.P. Morgan, the Bank of America, Banc One of Ohio and foreign banks operating in the US.

■ The Bank of New England rescue, which could cost Washington much more than the \$2.8bn official projection, gave ammunition to proponents of the "too-big-to-fail" doctrine, which argues that the truly large institutions will always be bailed out if they get into real trouble.

Those who hold US deposits would be wiser not to bank with smaller, lesser known institutions. There will undoubtedly be many dozens of bank failures at small and medium-sized US institutions as the recession spreads but there is no cause for panic - some of the biggest banks may merge, record heavy losses or mounting problem loans. The system is under severe strain, but it is not about to collapse.

Alan Friedman

David Barchard reviews mortgages

## Hopes dashed for rates cut

HOMEOWNERS with an annually adjusted building society mortgage should not raise their hopes for a drop in mortgage interest rates. The government has not made a further cut in rates in time for Halifax, the largest society, to make a downwards adjustment for 1991.

Nationwide Anglia, the second largest society, announced just before Christmas that it had decided not to raise payments next year for borrowers on annual review.

It believes that rates will probably fall next year and so compensate for a slight underpayment of mortgage interest this year.

If there is no fall during 1991 - an outcome most observers consider unlikely with a general election due in less than 18 months - then there could even be an increase in interest rates next time round.

Nationwide Anglia's annual review rates come into effect on February 1. Around 1.2m homeowners with annually adjusted mortgages from Halifax are also unlikely to see any change, unless base rates fall before the end of the month, even though its new rate will not come into effect until April 1.

Halifax bases its annual rate on the rate prevailing on January 31. There is a slight shortfall in unpaid interest on Halifax Budget Plan accounts because base rates were at 15 per cent for most of last year.

Details of adjusted mortgage rates for the next year will be sent out by the society to customers during February. For just under half of Halifax Budget Plan customers, the shortfall is around £2 a month - an amount which the society can absorb, since like everyone else, it assumes that interest rates will fall by one or two percentage points during the year.

"We would not change payments just for an amount under £2," says Jim Murgatroyd, assistant general manager.

For customers with larger mortgages, the shortfall is greater and these could face a possible increase of about £5 a month on average.

However, there will be some people whose mortgage interest payments will jump whatever happens and who may find themselves paying considerably more each month. These are likely to be people who have been given a discount on their mortgage interest rate for a fixed period.

One category most at risk is first-time buyers. Halifax offers them a discount of 1.25 per cent for the first year. Other customers affected will be those who were given an interest rate discount on a large mortgage.

For many people, the mortgage misery of 1989 and 1990 will drag on throughout 1991, even if the government does cut rates later in the year.

## Leading life companies unveil bonus rates

TWO LEADING mutual life companies, Norwich Union and Clerical Medical, this week announced their bonus rates - the first in a long time to do so.

Both companies have kept their annual reversionary bonus rates unchanged while adjusting their terminal bonus rates so that those for the shorter term are reduced and those for the longer term increased.

As a result, pay-outs on maturing 10-year contracts are reduced - by 3.5 per cent for NU and by 5.1 per cent for Clerical Medical - while those on 25-year contracts have increased by 5 per cent for NU and by 2.5 per cent for Clerical Medical.

These results show that there was nothing sinister about Norwich Union deferring its announcement from mid-December to the second week in January.

However, if the company thought that by delaying the announcement it could short circuit other life companies adjusting their bonus rates so as to top NU, then it has been sadly mistaken.

It still announced its rates

before its competitors, and these companies will have time, if they wish, to topple NU from its current pole position in the performance tables.

NU is certainly to be congratulated on providing its policyholders and advisers with definite information on the trend of pay-outs over the next four years.

Its investment managers refuse to contemplate a disaster for UK equities and property over the next four years and are basing their projections on a 14 per cent per annum before tax yield on the life funds.

If this is the situation, then NU's actuaries calculate that pay-outs on 25-year endowments would continue to rise over the next four years, albeit at a very slow rate - just 1 per cent over the period for an investor aged 29 at outset.

In contrast, pay-outs on 10-year contracts would fall by some 11 per cent over the four years for the same investor.

The company was not prepared to stick its neck out over the trend beyond four years.

Eric Short

## DIRECTORS' TRANSACTIONS

THE SHARE price of Carlton Communications has fallen substantially over the last year, from over £5 to around £3.7p. A number of director sales took place near the top, with Michael Green selling 1.4m at £30p in December 1989. This recent sale of over half his personal holding by Nigel Wray was stated to be in order to meet tax liabilities and reduce indebtedness.

The sale of 100,000 shares in Chesterfield Property is worth noting. The shares stand at a 60 per cent discount to the last published net asset value (Dec 1989). Unusually, of the seven directors only two hold shares, with the chief executive the only holding of a meaningful amount.

Messrs. Gold and Greenless of Gold Greenless Trott have bought 32,500 shares each at 63p having sold 50,000 each at around 25p in February 1989. In line with rest of the advertising industry GGT has had a downturn in profits, although the chairman's statement at the time of the interims in December was encouraging.

With the exception of investment trusts, engineering is the sector where the most buying was seen in December. As the slowdown in capital investment became apparent over the summer the sector underperformed substantially. Directors appear to be using this weakness to add to their holdings.

Angus MacDonald, Director Ltd

## DIRECTORS' SHARE TRANSACTIONS IN THEIR OWN COMPANIES (LISTED &amp; USM)

Company	Shares	Value	No. of directors
<b>SALES</b>			
ADT	1,000,000	1,120	1
Airtours	125,000	212	1
Asda Property	22,000	16	1
BTR (Warrants)	250,000	126	2
Burford Holdings	500,000	171	2
Carlton Com'cations	500,000	1,880	1
Chesterfield Prop.	100,000	610	1
Forward Technology	500,000	64	1
Morrison W S Market	222,800	427	1
Sainsbury (J)	154,200	467	2
Ston Htcs Group	24,000	34	1
Supermarket Holdings	39,152	16	1
TI Group	14,000	59	1
<b>PURCHASES</b>			
Burford Holdings	582,161	197	1
Croda International	7,816	12	2
Forward Technology	220,000	32	1
Gold Greenless Trott	185,500	117	2
Northern Electric	9,771	10	2
Seaboard	21,542	22	4
St James Place Ctl	1,000,000	630	1
Steel Burill Jones	12,649	35	1

Value expressed in £000s. Companies must notify the Stock Exchange within 5 working days of a share transaction by a director. This list contains all transactions, including the exercise of options (if 100% subsequently sold, with a value over £10,000, information released by the Stock Exchange) 31 December 1990 - 4 January 1991, 1991.

Source: Directors Ltd, Edinburgh

## The Week Ahead

FORECASTS FOR interim pre-tax profits which Tomkins, the fast-growing industrial conglomerate, will announce on Monday, centre around £30m, against £23.5m in the comparable period. In the half-year to October Tomkins, whose product range runs from valves to hand-guns, bought Philips Industries, a US building products business, for £326m. This purchase, which was financed by a rights issue, is expected to lift the interim profits. However, there are concerns that Tomkins has increased its exposure to the US just as that country's economy is going into recession.

First Leisure is likely to please investors with a respect-

able rise in earnings when it reports annual profits to October on Wednesday. Forecasts centre around profits of £23.5m for the year, up 17 per cent. The company benefited from its policy of not making many acquisitions but concentrating on existing businesses and upgrading the quality of its assets.

Mounleigh, the property company, is expected to produce pre-tax profits of about £5m when it reports its interim profits for the six months to September 30 on Thursday. The profit, which compares with pre-tax profits of £30.2m last year, will be mainly due to the redemption of bonds that were trading at a discount.

## COMPANY NEWS SUMMARY

## TAKE-OVER BIDS AND MERGERS

Company	Value of bid	Market price	Value of bid	Market price	Value of bid	Market price
Acad & General	5	5	5	5	5	5
STB Grp	11	11	11	11	11	11
Stamilton Mnt	95	95	95	95	95	95
Colony	180	178	180	178	180	178
McLoughlin/Harvey	135	157	135	157	135	157
PML Group Ltd	18	18	18	18	18	18
Docton Cy 98	100	100	100	100	100	100
Northern East Sars	557	683	557	683	557	683
STC	327	321	327	321	327	321
Telcel	12455	131	12455	131	12455	131
Touchstone	4	4	4	4	4	4
Tele-Vision	15	14	15	14	15	14

\* All share offers: Cash alternative. For capital not already held. Information: Based on 2.30pm prices 11/1/91. For suspension, 95 shares and Cash.

## PRELIMINARY RESULTS

Company	Year to	Pre-tax profit	Earnings	Dividends
Alexanders Hidge	Sept	1,800	(1,800)	3.56 (3.56)
Barr AG	Oct	4,500	(2,200)	43.1 (32.9)
London	Aug	285	285	1.0 (1.0)
Lowe (Robert H)	Oct	455	(1,000)	(6.87) (6.87)
M&G Dual Trust	Dec	5,090	(3,970)	66.3 (51.8)
M&W	Sept	1,790	(1)	9.7 (1)
Neotechnics Tech.	Sept	2,710	(1,620)	6.59 (7.1)
PWR Holdings	Sept	1,820	(1,820)	6.2 (6.1)
SEP Industrial	Sept	2,330	(2,490)	3.07 (3.8)
South. Business	Sept	14,020	(10,250)	9.67 (10.2)
TSS Group	Oct/89	312,000	(356,000)	13.4 (15.7)
Windsor	Sept	242	(653)	0.38 (1.97)

## INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit	Interim dividends
Abbey	Oct	57	(427)
Acad Group	Nov	60,800	(23,500)
Asda (Sainsbury) C	Oct	1,140	(1,250)
Asda Stores	Oct	285	285
Beverco	Sept	207	(49.1)
Bespak	Nov	2,040	(1,830)
Bucknell Austin	Oct	542	(708)
Caswell Engineering	Sept	4,510	(3,550)
Caswell Electronics	Sept	1,280	(1,020)
Coopers Clarke	Oct	235	(595)
Dixons Group	Nov	27,200	(32,000)
East Midlands Elec.	Sept	14,800	(1)
Eastern Electricity	Sept	38,300	(1)
First Technology	Oct	535	(1,050)
Gibbs New	Sept	567	(694)
Goodie Durrant	Oct	5,300	(5,700)
Hollis Group	Sept	332	(1,400)
Jury's Hotel Group	Oct	2,580	(2,336)
Marlow	Sept	18,700	(1)
MTI Furniture Group	Nov	16,200	(1,800)
Midlands Electricity	Sept	18,300	(1)
National Grid Co.	Sept	128,800	(1)
Northern Electric	Sept	35,000	(1)
Peso Group	Sept	3,570	(5,640)
Reflex Security	Sept	1,280	(230)
Savilla	Oct	433	(1,940)
SelectTV	Sept	85	(183)
South Wales Elec.	Sept	14,200	(1)
Southern Electric	Sept	23,700	(1)

(Figures in parentheses are for the corresponding period.) \* Figures are shown net of special dividend of 1p.5. Figures indicated L = loss. † Includes special dividend of 1p.5. Figures quoted in US dollars & cents. Figures quoted in Irish pounds & pence. ‡ Figures on a historical cost basis. § Gross revenue. ¶ Last year profit & earnings figures are before exceptional provisions of £201m.

## RIGHTS ISSUES

London International Group is to raise £51.6m via a one-for-four rights issue at 150p.

## OFFERS FOR SALE, PLACINGS AND INTRODUCTIONS

Sanderson Electronics is seeking to move from the USM to the main market. Southern Business is to apply shortly for a Stock Exchange listing.

## RESULTS DUE

Company	Announcement due	Last year	This year
<b>FINAL DIVIDENDS</b>			
Anglia Television	Thursday	2.6	6.4
Asda Investments	Monday	1.25	2.75
Aukett Associates	Monday	1.0	1.0
Babcock Pribon	Tuesday	1.0	1.71
Burndens Investments	Monday	2.0	5.5
Crown Communications Group	Tuesday	1.6	3.5
Davenport Vernon	Thursday	3.5	3.5
Debenhams Investment	Tuesday	1.75	4.55
First Leisure Corp.	Wednesday	1.25	2.55
Group Development Capital Ltd	Friday	-	3.2
GWR Group	Thursday	3.0	8.0
Harwin	Tuesday	-	0.75
Invoice Sound	Tuesday	-	1.3
Kumick	Tuesday	0.5	1.3
London & Clydeside Holdings	Tuesday	1.2	4.4
London Scottish Bank	Wednesday	0.75	1.85
Lockers	Thursday	2.0	4.2
LPA Industries	Friday	1.15	1.15
Platau Mining	Wednesday	-	1.0
St Andrew Trust	Friday	2.16	4.0
Selective Assets Trust	Friday	-	0.65
Sherriff Holdings	Tuesday	0.75	3.75
Triton	Tuesday	1.0	2.0
Whitney	Thursday	1.0	1.0
Witter Investment Trust	Thursday	1.625	2.0
<b>INTERIM DIVIDENDS</b>			
Barbour Index	Wednesday	2.0	4.0
Brynmantel Gold Mining	Friday	5.0	30.0
Centros	Monday	1.0	5.0
City of Oxford Invest. Tr.	Wednesday	0.8375	1.1675
Dalapak Foods	Monday	1.035	2.995
Debenhams Textiles & Childrens	Monday	2.0	3.5
Ellis & Seward	Monday	2.2	3.5
Empire Stores Group	Tuesday	-	0.1
Escalator Group	Monday	-	0.3
Exmor Dual Investment Trust	Wednesday	2.25	2.25
Fletcher King	Monday	4.3	4.7
Gold Fields of South Africa	Thursday	0.0	130.0
Hampson Industries	Thursday	0.6	5.0
Harmony Gold Mining	Friday	-	50.0
Horizon Group	Tuesday	1.59	3.58
Lazard Select Investment Tr.	Tuesday	-	1.59
London Electricity	Monday	-	2.5
ML Holdings	Tuesday	0.85	2.5
Mounleigh Group	Tuesday	1.25	3.5
Nobo Group	Tuesday	2.2	4.18
Norweb	Tuesday	-	7.0
Pest Holdings	Thursday	3.0	7.0
Sphere Investment Trust	Friday	2.25	1.72
Stanley Leisure Org.	Thursday	2.0	0.9575
Symonds Engineering	Thursday	0.45	0.8
Tonkin	Monday	2.7	6.55
Vardy (Reg)	Monday	-	2.4
Wyke Group	Wednesday	1.4	2.5
Yorkshire Electricity	Monday	-	2.5

\* Dividends are shown net of special dividend of 1p.5. Figures indicated L = loss. † Includes special dividend of 1p.5. Figures quoted in US dollars & cents. Figures quoted in Irish pounds & pence. ‡ Figures on a historical cost basis. § Gross revenue. ¶ Last year profit & earnings figures are before exceptional provisions of £201m.

DO YOU have a bank account in the US? Are you worried by the steady flow of reports about bad debts and bank failures such as Sunday's government rescue of the 300-branch Bank of New England? If you are a depositor with a US institution, and are feeling slightly jittery, then relax: you are in good company.

Millions of Americans are wondering whether the deepening national recession will affect their life savers. Most of the fear is, however, unfounded. More than 90 per cent of the US's 10,000 banks are covered by federally guaranteed deposit insurance through the Federal Deposit Insurance Corporation (FDIC) or other agencies.

The cover is for up to \$100,000 per account, but in the case of the Bank of New England bail-out, the FDIC has agreed to guarantee accounts over \$100,000. This is unusual, and may be criticised on public policy grounds because it means that banks may feel too secure about risky activities if they believe that Washington will step in at the last minute.

## US depositors get the jitters

On the other hand it is not easy to eliminate or reduce overnight a nationwide deposit insurance system that has been in place since the Great Depression 60 years ago.

A distinction can be made about money market accounts offered by US banks; unlike deposits, these are not generally covered by federal insurance.

The problem for individual savers is that they are rarely well enough informed to decide which banks may be at risk. One should naturally be suspicious about banks or other financial companies offering excessively attractive interest rates, but even this is not easy to communicate to savers across a nation of 240m.

While the individual may therefore feel helpless when it

comes to judging the safety of banks the same cannot be said about institutional investors. It is striking, therefore



## FINANCE &amp; THE FAMILY

# Eric Short urges Equity & Law to shed some light on its intentions for Target Life

## Investors kept in the dark

INVESTORS holding contracts with Target Life may have read this week that the company has again changed ownership, though they will not, as yet, have received any formal communication on this development.

After all the hassle of the negotiations, neither the present owner, TSB, nor the proposed new parent, Equity & Law Life Assurance Society, appears to have considered it part of the normal courtesies to have written to policyholders even to inform them of the change, let alone to indicate the possible consequences for investors.

As far as can be ascertained, the intention of Equity & Law is to continue to operate Target as a separate entity - at least as far as existing business is concerned.

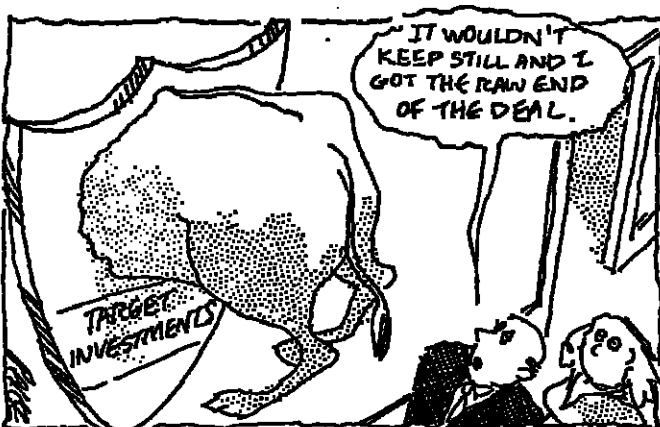
But policyholders will want to know the effect of the change in relation to: (a) the underlying security; (b) the investment performance; and (c) the service to policyholders.

Policyholders can be reassured on point (a). Equity & Law is the UK Life company subsidiary of AXA Midland, the giant French financial group.

On point (b), Target's investment performance was, until recently, extremely poor. Following a large reorganisation last year, however, performance has improved and the new team will be allowed to build on that improvement, assuming of course that the team does not disintegrate.

There will be a similar effect on service. The recent high cost of losses has put the administration under a severe test which it has passed to date.

But again everything depends on whether there are large-scale defections from the administration team. Policyholders are surely entitled to be given some indication of the short- and longer-term effects on the morale of Target's personnel. If the career prospects of Target's staff are threatened there could be worrying consequences for policyholders, too. Equity & Law urgently needs



to clarify its long-term intentions towards Target. There are indications that Equity & Law intends to integrate the two companies' distribution outlets and product ranges, and where there are common products, the emphasis will be very much on the Equity & Law version.

If this happens, then it is likely to prove only a matter of time before the investment and administration activities are merged as well and the existing business of Target operated as a closed fund.

This will not necessarily turn out to be bad for long-term investors.

However, policyholders are entitled to have the situation explained to them as early as possible so that they can decide whether to stay with Target or switch to another life company.

suppliers but collects fees from them rather than from the customers. Unlike the HA, which says it is backed by £20m in insurance cover, so far Buy-Safe can offer only its word.

The Glass and Glazing Federation, a trade association of which 60 per cent of glazing companies are members, runs its own deposit indemnity scheme. In 1990, it issued more than £900,000 in vouchers, redeemable at other member companies, to customers of failed suppliers.

The self-appointed watchdogs have a good record. The HA has suspended Stormseal more than two years ago, and the trade body had never allowed it in (although some of its subsidiaries had temporarily retained membership from previous owners).

Nevertheless, even purveyors of good advice should sometimes be asked: what's in it for you?

## Clay Harris on the market in consumer protection

### Household watchdogs

Stormseal in mind, the group issued a timely warning in December about pre-Christmas deals and discount offers. It said: "Many companies are holding on over the end-of-year period in a bid to bring in as much revenue as possible despite uncertainty over whether they can survive the next few months."

Full marks for spotting an imminent collapse, but what is this Householders Association? Last week it described itself as "an independent national consumer association which exists to protect and enhance members' rights and interests."

This is not quite the whole story. It is a commercial enterprise owned by City & Westminster Group. The parent company's shares have been suspended until audited accounts are submitted for the year to March 31 1990. In 1988, the HA reported a pre-tax profit of £185,000.

Its only source of income, according to Jeremy Taylor, a director, is the sale of guarantee insurance to customers of double-glaziers, stone-cladders and kitchen and bathroom installers. Acceptance of this cover gives membership for an initial year, renewable for a £25 annual fee.

Before placing suppliers on its approved list, the HA checks three years of audited accounts, inspects the work done for 100 customers selected

at random and interviews directors about trading methods. The companies, looking for a selling point in a tough market, pay no fee and receive no commission.

HA members get guarantees on deposits of up to 25 per cent (with a maximum of £2,500); completed work is insured for five years; and coverage continues afterwards if customers remain HA members. Contractors face suspension if they fail to respond to service calls within 48 hours and members can consult HA's consumer advice bureau without charge.

The HA has no exact counterpart in the UK. Buy-Safe UK, another commercial company, similarly vets

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I

believed, without further enquiry, to be the full amount outstanding. Recently, following a change in ownership in the company, I became aware that there was a balance still outstanding. All the directors' loan account balances have been paid off as part of the ownership restructuring. The statutory accounts have, I understand, always disclosed the balance outstanding as a "payable".

The controlling shareholder/director does not dispute that there is a balance due but he does not appear keen to pay me, even on a deferred basis. Although affected by adverse trading conditions the company has enough cash, following a property sale, to pay the debt. What are my legal rights with regard to:

(a) Obtaining repayment.  
(b) Requiring interest to be paid thereon.  
I am aware of the tax implications.

Why not call in the loan by notifying the company (in writing) that you require payment of the full amount of the balance, giving a reasonable time for it to be paid - say 28 days? If it is not paid you can sue for it.

The question of interest depends on the original terms of the loan. If these are unclear and interest has neither been paid nor added to the principal of the loan, you would have difficulty in rebutting the inference that it was an interest-free loan.

**Gift to a son**  
SIX YEARS ago I gave my son £25,000 as an interest-free loan to help him to purchase his house. On further thought, I decided that I would not require repayment and I told him and my executors that this should be regarded as a gift.

I am concerned that when my estate is finally settled, this money will not be regarded as part of it. Should I take any action to ensure this, and if so what?

You should have a written record of the release of the loan, showing on what date you effected the release. If this is not known, you should write to your son and to the executors stating that you have released the loan, and stating that you now release your son from the obligation to repay it. It might be wise to consider covering the risk of your death within the seven year period by insurance.

**Credit only where due**  
ASSUME I purchase a £500 air ticket, paying £100 by credit card and the rest by cheque. In the event of the travel agent becoming bankrupt, would I be able to claim the full £500 or just £100 back from the credit card companies?

We think you would be limited to the amount of charged to your credit card, namely £100.

**Calling in a loan**  
SOME 15 years ago a relative assigned to me the benefit of a directors' loan account in a private company, following his acquisition of a shareholding. I was paid an amount shortly thereafter and which I







## FOOD &amp; WINE

## Best southern Rhône are for keeping

Edmund Penning-Rowell explains why we may need to rethink our ideas about Châteauneuf-du-Pape

THE SOUTHERN Rhône produced excellent red wine in 1990 and, in terms of quality, this is the best Châteauneuf-du-Pape. Probably France's best-known single table wine, it is familiar to people who have never drunk a drop and probably never will.

The vines of the delimited area regularly produce more than 1m cases of the same as the whole of Beaujolais and half the quantity of all Burgundy.

There is no shortage of wine from the 300 growers who produce Châteauneuf, but 200 of these own less than 10 hectares apiece. Only 120 bottle and market their wine under their own labels. Most of these small growers sell grapes or must to merchants, chiefly to the big houses in the north, such as Chapoutier and Delas who own vineyards there or to Jaboulet, which does not, for its Les Cédras. There are also local merchants in the village, among them Caves St Pierre and Père Anselme. Both welcome visitors and the latter has an interesting wine museum.

Châteauneuf has two peculiari-

ties. First, it can be made from no fewer than 13 grape varieties. The leading grape is not, as might be expected, the Syrah, the dominant grape in the north, but the Grenache, which accounts for 80-70 per cent.

However, the most important properties do have a significant proportion of Syrah, and the other main varieties are the Mourvèdre and the Cinsaut, prominent grapes in the Midi. The second peculiarity is the soil – or the lack of it. Most of the vineyards are covered by large, round stones, originally washed down by Alpine glaciers.

According to the well-known saying that a grape must "suffer" to provide its best wine, Châteauneuf must be right on the sick list. How the vines produce at all in the summer heat is amazing.

Châteauneuf has another claim to fame. The *Appellation Contrôlée* system in France, initiated in Italy and Spain, sprang from the proposals in 1923 of Baron Le Roy of Châteauneuf, in which he insisted on a delimited area, specified grapes only, regulated pruning and yields, and minimum alcoholic strength (Châteauneuf's 12.50 is the highest

in France). Because of the variation in results and therefore the necessity of sorting out the picked grapes, mechanical harvesting is forbidden, though almost entirely used in the neighbouring Côtes du Rhône.

It might be said that there are two types of Châteauneuf, differing according to the way they are vinified. The traditional method is a fermentation of the crushed grapes, often with their stalks, for two or three weeks and then matured in wooden casks for 18 months before bottling; or *maceration carbonique*, as in Beaujolais. The uncrushed grapes are vatified, sulphur is added to prevent oxidation, the grapes burst under their own weight, and fermentation then takes place or the juice is run off to be fermented in the normal way. This produces a lighter, earlier maturing wine, bottled after a year. In some estates both methods are used and the results blended together. Whereas these Châteauneufs are usually very drinkable after four or five years, the traditional type may need ten to 15 years to reach its best.

There are at least a dozen Châteauneuf estates generally



regarded as outstanding for quality, and on my recent visit I went to four of them: Châteauneuf, Domaine de Vieux Télégraphe, Clos des Papes and Ch La Nerthe. They all produce carefully-made distinctive wines. Beaucastel is one of the very few to use all 13 permitted varieties, though Grenache and Mourvèdre predominate. Vieux Télégraphe produces a lovely rich wine; Clos des Papes rather lighter, more elegant; and La Nerthe initially very tannic, but developing into a well-rounded wine. I was unable to visit the other two leaders, Ch Fortia, and Ch Rayas which

is notoriously difficult to see.

UK wine merchants do not appear widely to hold these wines. Among others, Beaucastel is stocked by Adnams of Southwold, Lay & Wheeler of Colchester, Tanner of Shrewsbury and Winecellars of Wandsworth. The first two also list Vieux Télégraphe. Bibendum has Clos des Papes '87 (£3.99). Yet these leading estates export the majority of their wines, particularly to Switzerland, Germany and Belgium.

At a tasting of a dozen Châteauneufs, mostly '85, arranged for me by the *Comité Interprofessionnel* in Avignon, those that particularly appealed to me were Beaucastel des Papes, Clos du Mont Olivet and Cuvée de Vieux Télégraphe. Unfortunately the bottle of the usually excellent Montredon was corked, which can happen to any wine and is no reflection on the producer.

All the leading estates make a better than average white Châteauneuf, a wine that used to be heavy-footed, clumsy and often oxidized. It is now much fresher, cleaner and aromatic but it is no good expecting Côte d'Or style wines in the hotter region of the Rhône. Vieux Télégraphe produces an exceptionally

aromatic, rich white, and the Clos des Papes is flowery and elegant in Rhône terms.

Although Châteauneuf production is large, it is nothing compared with the output from the huge expanses on the Côte du Rhône plains both sides of the great river. The total, much of it produced by co-operatives, including the "village" wines from 17 communes, runs to more than 25m cases, including rosé, which is not permitted in Châteauneuf. I do not find these very exciting, and for rosés it is better to look for Lirac or Tavel on the west bank. In the latter I visited a new property with old vines, Clos de la Mordière, which had very attractive Tavel and Lirac.

The Village wines are usually worth the extra 50p or £1 a bottle and among the leaders are Cairanne and Laudun. Until last August so was Vacqueyras, but then after six years' campaigning it joined its neighbour Gigondas as A.C. I was told that they were not less proud of this because other, unnamed, Villages had been turned down. Gigondas can have good fullness and style, but is usually pricier, so maybe Vacqueyras will prove a competitor.

One white Côte du Rhône is particularly to be recommended, Domaine St Anne from the right-bank St Gervais commune. It is made from the Vigner grape, until recently confined to Condrieu up north. At the estate I tasted both '89 and '88. The first was still very closed, but the '88 had much more of the distinctive aroma and flavour. Adnams and Lay & Wheeler both have this for £10.95 and £10.99 a bottle respectively. Not cheap, but at present only about 400 cases are made, and Condrieu is much dearer.

Although the lower-level southern Rhône wines are largely for ordinary drinking, I believe that we have to re-think some Châteauneuf. While many are very acceptable when about five years old, the finer need more time. Like the finer clarets, red burgundies and indeed the top northern Rhône, they cannot show their best when young. Although this does not mean buying *en primeur*, at least from the estates, it does involve acquiring them soon after they appear on UK lists, as they are unlikely to stay on them for very long, and then keeping them for up to ten years. They are worth it.

## A strictly upper-crust Frenchman

ALL OVER the world chefs and restaurateurs try to reproduce France's culinary arts. But nowhere, perhaps, is this reproduction more authentic and the location more incongruous than Unit 21, Abbey Industrial estate in Wembley, north London.

Five minutes from Hanger Lane junction and within sight of Wembley Stadium, Unit 21 receives 15 tonnes of special French flour, from a small mill at Viron near Chartres, and three tonnes of French butter each month. Every night 1,200 croissants and the same number of *brûlés*, hundreds of *baguettes* and *petits pains* and increasingly large amounts of *pâtisseries* leave Unit 21 in the early hours of the morning for many of London's top hotels, restaurants and delicatessens.

Unit 21 used to make aircraft parts until it was taken over in August 1989 by Philippe Dédé as a bakery. The unit next door used to make sandwiches but in February Dédé will take that over to accommodate his expanding business. What began as an attempt to make the best French bread this side of the Channel has grown rapidly and by the end of his second year's trading Dédé's turnover will be close to £1m.

His customer range – he could hardly improve – includes Harrods, Selfridges, Le Gavroche, Claridges and the Savoy.

When he started his rivals gave him no more than three months in this very competitive business. He has succeeded not just because of the quality of his bread and *pâtisseries* but also because of his dedication. Still only 28, and with boundless energy Dédé has the sunken, rather black eyes common to so many chefs; an occupational hazard that comes from seeing too little daylight.

His home is in Putney, south west London, his bakery in Wembley, and his working day starts at 8am and finishes at 7pm.

Sp. He sees little of his wife and small son but says that it was his wife who, when she gave him a book on *pâtisserie* in 1986, changed his life.

Dédé began to specialise in pastry work at the age of 16 in Paris. His grandfather had been a *pâtissier* and a photo of a queue outside his grandfather's shop in Paris after the Second World War hangs in his office. National service was spent as a *pâtissier* on the carrier *Joan d'Arc*, preparing buffets for ports of call on its world trips.

He came to England in 1984 and worked for Ferranti, the UK electronic group. By 1987 he was head pastry chef at top-rated London restaurant Le Gavroche and later at the Grosvenor House Hotel, in Park Lane, London, where he had a staff of 15 working under him. But it was the passion to make true French bread – which Dédé admits is getting harder to find in France – that persuaded him to start on his own.

Dédé was convinced that there was a market for the best.

He raised £100,000 from his family and bought an oven for £20,000 and soon realised his first mistake. While he had been confident of success he had not realised how quickly the business would grow. No customer was turned away but another oven, costing £30,000 had to be bought. When full it takes up to 250 loaves simultaneously. Dédé now proudly offers a 16-page product list.

Like so many other suppliers to London's top hotels and restaurants Dédé initially failed to appreciate his two major problems – delivery and staff. Most of his customers naturally want their croissants and bread in time to serve at breakfast and his three vans have to leave the bak-

ery on the hotel run at 4.30am, to deliver no later than 5am and return to be reloaded at 5.30am. The vans are then sent out again for the delicatessen and restaurant run.

What they deliver are the products of a 24-hour, six-day-a-week operation (seven days a week for the *pâtisseries* section). To try to approximate what makes the very best French bread I spent part of a night shift watching, and skipping out of the way of Dédé's 15-strong baking staff, as they worked flat out in the week before Christmas.

While the dough for the croissants and the *pâtisseries* can be made during the day all the bread and croissants are baked at night. The head baker arrives at 5.30pm, takes all the orders and mentally calculates the dough necessary – he does not trust the computer. The first dough is made straight away and the fermentation can take anything from one to two hours before it can be touched.

By 9.30pm all the other bakers have arrived; the dough is in its finished state and is being rolled into all shapes and sizes before being allowed to prove. This is the most crucial aspect of bread-making and exactly where, Dédé maintains, there is the major difference between his bread and that of his competitors. During proving, the dough rises in volume through the action of the yeast. If the dough does not rise sufficiently it remains solid and heavy, if it goes on for too long it becomes acid. The longer proving can go on for under supervision, however, the more flavour the bread will have. While most bakers in this country prove their bread for 40 minutes, Dédé proves his bread for up to two hours.

Once they are ready the trays of bread,

*croissants* and *brûlés* are wheeled across the tiled factory floor to be baked. At one end of the bakery the croissants are sprayed with pasteurised egg wash prior to baking, at the other end a baker quickly nicks the top of each baguette three times before putting them in the oven.

He must work as quickly as possible – if the bread waits too long it can over-prove. While Dédé was escorting me round he noticed that the baker was falling behind; he quickly went off and baked bread for 20 minutes. I watched mesmerised as 280 loaves turned a golden brown; the large crowns on the top, *baguettes* in the middle, *petits pains* on the bottom.

It was at the beginning of his bread-making enterprise that Dédé realised the big difference in baking for the British rather than the French market. The French go more regularly to their local bakery and have very definite ideas about how they like their bread – well cooked and crispy or not too burnt. We British go less often and like to re-bake the bread to serve it warm. As a result, Dédé and his bakers have learnt to slightly undercook traditional French bread to please their British customers.

At the end of my night shift I asked Dédé what made the long hours and the hard, physical work worthwhile. It was certainly not the financial rewards, although the business had become financially viable far quicker than a similar sized restaurant business would have done. Rather, he said, it was the challenge to become the best baker and pastry chef in Britain and to carry on the tradition of baking top-quality French bread.

Nicholas Lander



A job with plenty of dough: Philippe Dédé of Boulangerie Pâtisserie

Alan Harper

## Taste of moderation

A WEEK SPENT in a chocolate factory is said to effect a near-miraculous cure of chocoholics. I have not met anyone who has put this to the test but I know many who find that Christmas feasting in affluent circles, where the emphasis on meats and sweets is growingly heavy, comes with their own in-built revulsions and recovery schemes.

As soon as the 12 days of excess are up, a taste for moderation, if not abstinence, takes over. For a few weeks, at least, fat roasted birds and massive joints of meat have little appeal. The same is true of sugary confections dripping with dried fruits and nuts, cream and booze. I suspect we are more easily sated by all things meat and sweet now than we were a couple of decades ago because our eating habits have changed fundamentally.

Even those who profess to pay no heed to the fads of fashion cannot fail to have fallen under the influences of *nouvelle cuisine*. Keep-fitters and varying shades of green. Our appetites have shrunk. More fibre less fat has become the norm. Gradually we have grown to enjoy more fruit and fewer puddings, and to eat more meals based on vegetables, grain products and fish. There is less dependence on meat.

Many people now choose, not for the sake of virtue but in genuine preference, the tang of crème fraîche or Greek yoghurt rather than thick cream. A few spoonfuls of cream in a savoury sauce can still delight, but thick cream on sticky pudding seems just too cloying – enough to make one feel a little queasy.

Semi-skimmed milk, which I started to use from a sense of healthy duty and found unspeakably thin and watery even in tea and coffee, now strikes me as perfectly acceptable with breakfast cereals and quite drinkable in its own right. I still regard myself as a convinced carnivore but when I stop to think about it I realise that I have been painlessly weaned from the routine of "meat and two veg".

I am aware that three or four days may pass in a week without my having eaten more than a couple of ounces of meat. On the other hand I am aware of my growing need for grain products with proper bite and for a generous daily dose of fruit and vegetables. An apple a day is no longer enough to give me a vital sense of wellbeing. I missed these foods over Christmas and I crave them now to rid me of post-festive bloated feelings: the clean crunch of fresh vegetables, the chew of brown rice cooked *al dente*, the sharpness of citrus fruits and early rhubarb, the purity of broth, the plain reassurance of poached fish, mashed potatoes and other nursery foods.

My ideal meal just now would begin with a steaming bowl of petite marmite, as clear as topaz, laced with the occasional julienne shred of leek and carrot and a mere sliver or two of meat. This might be followed by a stir-fry of beansprouts with a handful of mangetout, spiked with a grating of green ginger and soy and finished with thin strips of ribbon omelette. Or the pearly white crunch of raw Jerusalem artichokes, grated and tossed in vinaigrette with plenty of parsley and a few fat prawns. Here are a couple of other ideas for those with less minimalist leanings.

## BAKED CHICORY

(serves 6 to 8)

The slightly bitter quality of cooked chicory makes it an ideal foil for rich meats such as pork and duck. Just now, though, I prefer to serve baked chicory more austere for a very light lunch or supper dish – simply garnished with chopped hard-boiled egg or snippets of ham and partnered by floury baked potatoes. Both vegeta-

bles can be cooked in the oven together, but give the potatoes a head start.

3 lb chicory; 3 oz butter; about 1 tablespoon each sugar and lemon juice; a little parsley; 1-2 hard-boiled eggs or 1-2 slices of ham; a spoonful or two of toasted or fried bread-crumbs.

Trim the chicory and cut each one lengthways in half or into quarters depending on their girth. Choose a baking or gratin dish that will take them in a single layer and butter it thickly. Lay the chicory in the dish. Sprinkle with sugar, drizzle with lemon juice, season lightly with salt and generously with pepper and flake the rest of the butter on top.

Cover with a dome of foil and bake at 375°F (190°C) gas mark 5 for 30 minutes, basting the vegetables with their butery juices at half time. Turn the heat up to 425°F (220°C) gas mark 7-8. Baste the chicory again and add a soupcon more lemon, sugar and butter if liked. Bake the chicory for 10-15 minutes more, this time without the foil, until the vegetables are cooked through and showing signs of frizzled gilding at the edges.

Chop the hot hard-boiled egg and season it (or mince the ham or cut it into tiny snippets). Mix lightly with a little chopped parsley and the crumbs, and scatter the mixture over the chicory just before bringing the dish to table.

## BADDIE WITH WATERCRESS AND LEMON BUTTER

(serves 6 to 8)

Stormy weather means that supplies of fresh fish are sometimes erratic at this time of year. Smoked fish may be easier to get. I use single fillets of haddock smoked on the skin (called Aberdeen fillets in some areas) for this admirably quick and simple dish, which is also excellent with fresh cod fillets.

2 to 3 matted smoked haddock fillets weighing a total of 2½ lb; 3 bunches of watercress; ½ lb butter; 2 lemons.

Cut the fish into portions that will fit your pan comfortably and be easy to serve. Lay the fish flesh side down in the pan and pour on boiling water to cover. Bring the contents of

the pan to boiling point. Draw the pan quickly away from the heat, cover it and leave for 10-12 minutes to cook the fish.

Meanwhile, wash and dry the watercress, discarding tough stems and any yellowing leaves. Mix together in a small jug 4 teaspoons each of lemon juice and cold water, a pinch of salt and a good grinding of pepper.

When the fish is almost ready, dice the butter and melt it in a small pan over low heat. Remove the butter pan from the flame and pour on the lemon mixture in a thin stream, whisking the contents of the pan with a fork all the time as you pour.

Drain the smoked haddock. Quickly carpet a warmed serving plate with the watercress and lay the fish on it. Pour on the lemon butter, garnish with wedges of lemon and serve without delay, with plenty of good bread on the side or new potatoes steamed in their skins.

The serving dish should be warm rather than sizzling hot and the watercress should be laid on it only when you are ready to add the fish, or the leaves will curl up and die instead of wilking deliciously under the direct warmth of fish and lemon butter.

Philippa Davenport

£200,000 WORTH OF FINE WINES TO BE CLEARED AT HUGE DISCOUNTS

Ask for your FREE copy of The Hungerford Wine Company's Barking Mad January Sale NOW!

Phone: (0488) 683238 Fax: (0488) 684919



## "PROCEED WITH THE SALE, MISS CORBISHLY"

murmured the Chairman, weeping gently into his mint julep.

It was an unusual day at the Gallery. Firstly, the Chairman's customary fortitude (i.e. tantrum) resisting any form of sale was not forthcoming when Miss Corbishly touched upon the subject. Secondly, he was drinking mint julep instead of his normal brandy and soda. The weeping is not unusual, especially if he's had a bad day at the races or, as in this case, he's been to a showing of "Gone With the Wind" the night before.

With a mint julep in one hand and a hankie in the other he wasn't in the mood to resist Miss Corbishly's plans for a sale. (We must get a list of performance dates, it could make life so much easier).

So by kind permission of David O Selznick, who frankly doesn't give a damn, and acknowledgements to the Chairman, we are proud to present our sale:

## SALE NOW ON

AUBUSSON Needlework	5'11" x 3'7"	£750	£490
EMPIRE Needlework	5'10" x 4'1"	£925	£490
CABBAGE ROSE Needlework	8'3" x 5'7"	£1850	£1250
POSY Needlework	8'7" x 5'5"	£2500	£1400
LOVE LIES BLEEDING Needlework	14' x 10'	£1250	£2125
CHAINSTITCH BLACK BEAUTY	6' x 4'	£220	£115
DHURRIE	7'10" x 7'10"	£580	£650
BESSERABIAN VICTORIA	8' x 4'11"	£600	£590
BESSERABIAN BLACK	13'3" x 9'9"	£2972	£1975
LOUIS MACHINE MADE	7'9" x 5'7"	£400	£290
RIBBONS & BOWS MACHINE MADE	7'10" x 5'7"	£419	£259
MORRIS LITTLE TREE (Tufted)	6'3" x 4'6"	£1295	£430
ARTS & CRAFTS (Knotted)	7'4" x 6'2"	£2400	£650
GEORGIAN (Tufted)	5' x 5'	£1800	£960
TURKISH ZIEGLER (Knotted)	10' x 6'7"	£2700	£2160

Cushions from £35

## VIGO CARPET GALLERY

6A Vigo Street, London W1. Telephone: 071-439 6971

Open Monday to Friday 9.00am – 5.30pm

Open Saturday 10.00am – 5.00pm (during sale only)



1991 NATIONAL HUNT FESTIVAL

12th - 13th - 14th MARCH

ADVANCE BOOKING ESSENTIAL

For Cheltenham - all 3 days - and Salisbury on

Thursday (0252) 222222 or 0252331000

CHELTENHAM RACECOURSE

مكتبات الأصيل



Keeping fit in the '90s means looking after your mind as well as your muscles. Lucia van der Post and Rachel Johnson report

# A healthier routine for gain without pain

**F**EELING FLABBY? Weak at the knees when you walk uphill? Do you puff when you climb stairs? You can either take the classic advice and sit down until you feel better - or join a health club.

The health and fitness business used to be a bawny, sweaty affair, all muscles, strain and effort. Classes would chant the mantra "No Pain, No Gain" as heaving bodies stretched and suffered in the pursuit of the body beautiful.

Those days of sweaty locker rooms, drab exercise halls, Eva Braun instructors are over. Today the best of the health clubs have embraced a more holistic philosophy; that the body beautiful should go hand in hand with the mind tranquil.

Health clubs are no longer just places in which to lose weight. Now they are havens from the stresses of modern life, oases of calm where you can meet your friends, have a drink, swim in the pool AND, if you feel like it, join in a class or follow your own personal workout plan.

The new clubs are all much nicer places than the old, draughty exercise rooms run on a shoe-string that used to be the norm. A great deal of investment has gone into making them warm and beguiling havens - it's no wonder that these days many a member visits his or her club two or three times a week and looks forward to it as a pleasure rather than a dire duty.

Instead of the puritanical teeth-gritting aerobics the newest, best clubs offer a choice of everything from Tai-Chi to yoga and there are pools and whirlpool baths, facials and aromatherapy - a full menu from which the busy worker can choose according to his or her mood. Austerity and bleakness are out. Sophistication and comfort are now the name of the game.

For those who feel more at ease with this new style club there are ever-increasing numbers to choose from. A perfect example of the genre is the new Esprez club in London (tel: 071-488-1222) due to open on January 14.

The brainchild of David Giampaolo, it is housed in vast and imposing premises underneath the Old Royal Mint Court. Giampaolo has been in the health club business for years and aims with this new venture to put into practice everything he learned while running the others.

"I want everything to be done better. For instance, members get two new clean towels each time they come, there are large lockers, a lounge and restaurant where they can relax, machines to dry clothes and swimming costumes so you don't take home a damp parcel. There are showers and toiletries in the showers, so you don't have to bring your own. After members are physically assessed and given the sort of programme that is right for them they won't be abandoned to it - there will be 'floaters' to

help motivate, encourage, cajole and talk.

"Above all, we are not going to run it with absentee management - there will always be staff there checking that members are happy and are getting what they hoped for." There is a joining fee of £150 during January, £200 thereafter, plus a fee of £40 a month. After that everything except the treatments (the aromatherapy, waxing, osteopathy and the like) is free. Giampaolo is aiming for 4,000 members and already has people lining up to start the first classes on the 14th.

**'Health clubs have embraced a more holistic philosophy: that the body beautiful should go hand in hand with the mind tranquil'**

Esprez is likely to draw its members from the City and south of the river round Greenwich (it's just by London Bridge, the other side from the Tower of London) and already plans are under way for another Esprez in the Fulham/South Kensington area.

Cannons Covent Garden (Odhams' Way, Endell Street, London WC2, tel: 071-240-2446) and Cannons, Conis Lane, EC4 (tel: 071-283-0101) both have developed this new, holistic approach to health and fitness and the clubs are seen as places in which both to exercise and to wind down. But though some of the classes are excellent and the facilities are good, space is at a premium and classes at popular times are much too crowded, although for those who can go at off-peak times it has a lot to offer. Membership is from £235 (depending on the category) and classes and the use of the swimming pool is then free.

**F**urther west in the capital it is worth knowing that the Kensington Close Hotel, W8 (tel: 071-837-8170) has recently revamped its health facilities - the pool has always been much sought-after but everything from the gym to the changing rooms are now being spruced up. There are aerobic classes and a Body Shop beauty parlour, a buffet and a snack bar. Membership is £295 a year, £370 off-peak.

Personal trainers offer the Rolls-Royce way to fitness and are something that few chic New Yorkers could do without. In the UK, slow as we are to adopt these hedonistic ways, they are only just beginning to catch on.

Finding one that suits you largely depends on a closely-linked Mafia which passes names around among those in its circle, but no matter where you live the personal trainer is bound to have arrived in some form or another. They are ideal for those who feel that their bodies are in no shape to be revealed in all their inadequacy to a host of lithe and lissome ones and who feel that they would like to deal with their flab and their bulges in peace and privacy.

In London Inhouse Fitness is run by Jenny Whitby (tel: 071-727-7793) and for a sum running at about £30 an hour (depending on travelling times, parking etc) she will help you sweat and pant your way to the body beautiful and the lungs powerful.

Fatbustors has a wonderfully

down-to-earth name and a wonderfully straightforward aim: to leave its clients with bodies more beautiful than those they arrived with. Fatbustors does not offer the new-style "softly, softly" approach: it works on the old-fashioned principle that only hard work gets results. It is the place for those who know that they have no will-power of their own, who need to be shouted at, screamed at, cajoled and terrified before they take action.

Fatbustors was started by Jamie Addicot and has legions of devoted fans who discovered him at the Fitness Centre and who are just longing for his own "Gym Palace" to open in April.

As one fan (not slyph-like, it has to be said, but more slyph-like than she would be otherwise and a whole fitter and happier) put it: "He struts about looking wonderful, shouting at you and somehow you want to do it for him. I used to go between two and four times a week when he was at the Fitness Centre."

For the moment there are Fatbustors classes at Covent Garden's Jubilee Hall. They are very cheap - £1 to get into the centre and £2.50 per class. Ring the Jubilee Hall on 071-836-4007 for times. Addicot himself takes some of the classes; his assistants take the rest. He also has a star-studded list of clients whom he trains personally and you, too, can have him all to yourself (or share him with a group of friends) for about £25 an hour. He will even come to your house. Telephone him on 071-704-8990.

If all this sounds much too expensive for you, remember that most public sports centres offer some form of keep fit or health class as well as a gym with a variety of equipment in it.

However, there is another, simpler, answer which is just as good as all the rest: get a dog!

## Sporty shorts

**THE BEST** value sportswear around seems to me still to come from Debbie Moore's Pineapple group. She has a mail order leaflet (send £1 to Pineapple Mail Order, 7 Lansley Street, London WC2H 9JA) and the most expensive item on the list, at £39.99, is a zip-fronted necked catsuit. Footless tights are £14.99 and leotards around £16.

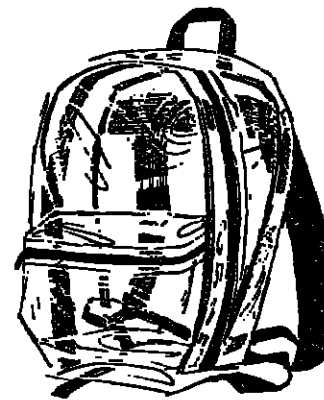
Just as Mr Colman is said to make most of his money from the mustard left on the side of the plate, so manufacturers of exercise equipment presumably get rich from piles of metal and rubber silently gathering dust in attics and garages. My advice is to think several times before you buy any of it but if you MUST then take a good look at the Argos "catalogue shops".

I have always found Argos a tedious place to shop (the system seems to take hours) but it often has the keenest prices. It's keep-fit pages may look like the inventory of a medieval torture chamber but look closer and the machines are revealed as treadmills and dumbbells, rowing machines and sit-up bars.

Before you buy read the small print - the equipment is all self-assembled and you are advised to consult a doctor (not to mention a professional trainer) before undertaking a training programme. But having said all that, you could buy a "punch killer" for £18.99, a simple rowing machine for £48.99 or an exercise bike for anything from £69.99 to £149.99.

Golfers might like the St. Andrews Golfer's Care Kit for £8.95 you get a pack of four different liquids which help to clean and protect all the myriad golfing bits and pieces that are part of the golfing life. Buy it by mail from Hurley Style, The Manor House, Hurley, Berks SL6 6BN.

A splendid present might be a voucher to spend the day or a weekend at Grayshott Hall. A Fitness Day costs £75 but for that you get a simple medical test, a cholesterol test, exercise classes, a choice of treatments like massage or a sauna and a personal exercise plan to follow when you get home.



The transparent plastic holdall sketched above may not be the most practical (who wants all one's crumpled leotards in full view?) but it is the slickest I've seen - in fact it is so snazzy that it is worth making sure the contents live up to the holdall. It is made by Patricia Field, whose New York shop is THE place for fashionable keep fit accessories. It sells for £44.95 at the Esprez Club Shop, 2 Royal Mint Court, London EC4, which is open to the public as well as members. There is also a gym bag, bowling bag and day bag.

If you're 5ft 8 in or over you will already know how hard it is to find keep-fit gear to fit - and leotards and leggings that are too small look particularly ridiculous. All the cheaper ranges in the chain stores tend to cater for the average and forget about the minorities. Long Tail Sally has leotard and lycra leggings specially geared to the tall and lanky. The leotards - in black and gold, sizes 12-20 - are £16.95; leggings, in plain black, £19.95. There are nine shops (London branch at 231 Chiltern Street, W1) but there is a free mail order brochure from Long Tail Sally, 3 Quarry Park Close, Monlton Park, Northampton NN3 1QB.

**A**S THE eighties fitness craze has changed its emphasis, pricey private tennis clubs - usually with the word "Racquet" or "Lawn" in the title - have sprouted in London.

Indoor and outdoor clubs have had a rush of membership applications even though the 33 London boroughs offer facilities of varying quality. The Sports Council says there are more than 2,000 public courts in London, and 335 private tennis clubs where all you have to do to join is pay.

However, the main problem for the keen player is how to keep hitting the ball when the days shorten and the rain pelts down. Indoor courts are the only answer, and they don't come cheap. On top of the intimidating membership fee there is usually a court fee of between £15 and £20 per hour. These are by and large the province of the 23 private clubs in London, which are run as private companies for profit by keen tennis players-stroke-businessmen.

Even though they are cripplingly expensive, it can take a lot more than cash to join some clubs. This is because the most exclusive like to provide social cachet as well as immaculate courts. Class counts for a lot more than wealth in the clubs which pander to those keen to exercise social mobility as energetically as their backhand.

Queen's Club, Palliser Road, West Kensington, (tel: 071-881-4213) London W14. This is the grand-daddy of them all and currently has a six-year long waiting list. It has eight indoor courts (30 outdoor) and an entrance fee of £280, coupled with the £550 annual fee.

Here is where you will find the most serious standards of play, with a Davis Cup player knocking up here, a promising junior being coached there, while nearby four merchant bankers playing before work are confronted with the fact that all their dollars can't buy a perfect backhand volley. Though it also offers squash, real tennis, racquets and snooker, tennis is the thing.

The David Lloyd Sleaford Racquets Club (tel: 081-648-1073). There are three of these, one each in Raynes Park, Heston and Finchley. Three more are planned for Sleaford, Chigwell and Bushey. Each has 12 to 15 indoor courts and an enrolment fee of between £125 and £500 (depending upon category of membership) and a monthly subscription of between £25 and £42.50. Courts are free before 5.30; £8 per hour after that.

The atmosphere is very busy and it is not always easy to get a court. Other facilities - coaching, aerobics, gym and squash - are available.

The Riverside Racquet Centre, Dukes Meadow, Chiswick, London W4. Tel: 081-994-0101. Currently has a six-month waiting list. Its membership fee is like a share - it is a commodity you can always sell. It started at £500 but today sells for about £1,400. There are, however, no court fees. 12 indoor courts, 12 outdoor ones. A good social atmosphere and quite easy to get a court.

The Royal County of Berkshire Racquets and Health Club, Nine Mile Ride, Bracknell, RG12 4AB (tel: 0644-366717). A splendid new club, open from 7 am to 11 pm seven days a week and renowned to have caught the interest of its neighbour, the Duchess of York. It has 12 indoor courts and eight outdoor and lots more besides, from health and fitness facilities to pools and lounges. Would-be full members have to buy a debenture loan of £500 which in normal circumstances is refundable when they want to leave. After that annual membership is £500. Courts are free at off-peak times, £10 an hour at peak times.

Charles Swallow's Vanderbilt Racquet Club (tel: 081-743-9816/9822) in Shepherd's Bush, W12 has long gloried in its reputation as the poshest club in town. The fact that the Duchess of Wales plays there gives it the royal seal of swankiness and brings the club considerable publicity (which it does not need).

The "Vandy" is extremely plush and offers a whole range of activities from "Male Massage" (on appointment) to physiotherapy, stretch and fitness. It has eight courts, a bar and restaurant. With a swimming-pool, it would be heaven on earth. The expense, though, is considerable: a one-off membership fee of £885 and an annual subscription of £650. After that you pay £13 per hour (off peak) and £20 per hour at peak hours.

Carlton Tennis Club, Harrow Road, London W2 (tel: 071-286-1985). "Our aim is to undercut the Vanderbilt," says Stuart Bailey, director of the newest, even more luxurious entrant in the competitive arena of indoor tennis. Although this is very unfashionably-sited, it is convenient for the West End. Bought out of receivership last summer, the Carlton was then a run-down tennis club with



three courts, but it had one asset Charles Riffkind, Jonathan Levy and Bailey were itching to get their hands on as they savoured the pent-up demand in Central London for more, and smarter, indoor tennis.

"I had a first-class membership profile. All the people who played were top businessmen - and media personalities - living in St John's Wood and Holland Park," Bailey explains. A mere £1m later, the Carlton has an air-conditioned gym, two Ritz-trained chefs, three indoor courts, five coaches, a six-person Jacuzzi, and almost 300 members. The one-off entrance fee is £625 (and it goes up to £750 from March 1) and the annual subscription is £625. After that court fees are £15 an hour, off-peak, £19 at peak times. Book courts eight days in advance.

These are just some examples of a growing industry in the UK, and as the property slump spreads, land previously only available for office development is becoming cheap

enough for leisure use. However, there are many keen tennis players for whom these prices are out of reach. Their only hope is to try for the very few public indoor courts.

The Middlesex Polytechnic, (Sports Office, All Saints, White Hart Lane, Tottenham, N17 tel: 081-601-3434) has three indoor courts, although you need to book up to two weeks in advance. Here you can cash away for between £9 and £11 an hour - no annual membership fee needed.

Islington Tennis Centre, Market Road, N7 (tel: 071-700-1870) is mainly open to those who live in the borough, although 500 registration places are available to those who live outside it. It has four indoor courts and those who pay the annual registration fee of £2.50 can book by phone seven days in advance. Court fees vary from £10 at peak times to £4 for children.

Additional research by Lucinda de la Rue.

R J

**HERMÈS PARIS**

**WINTER SALE**

12 - 19th January 1991

155 NEW BOND STREET, LONDON W1Y 9PA  
TELEPHONE: 071-499 8856

179 SLOANE STREET, LONDON SW1 9QP  
TELEPHONE: 071-823 1014

To advertise on  
**"How To Spend It"**  
please contact:  
Julia Carrick on 071-873 4664  
or Genevieve Marengi on 071-873 3185

**SALE Starts Today**

**POLO RALPH LAUREN**

143 NEW BOND STREET, LONDON W1  
(071) 491 4967



SINCE 1735 THERE HAS NEVER BEEN A QUARTZ BLANCPAIN WATCH. AND THERE NEVER WILL BE.

**BLANCPAIN**

A Monument To The Art Of Watchmaking

A World First: Blancpain presents the exclusive ultra-thin automatic chronograph with self-winding hand - and of course, the watchmaker's legendary savoir-faire.

BLANCPAIN: Geneva, France. 1735. Since then, Blancpain has been a family business. The Blancpain family, with its passion for watchmaking, has created a tradition of excellence. Blancpain watches are made in Switzerland, in the heart of the Swiss watchmaking industry. Blancpain watches are made in Switzerland, in the heart of the Swiss watchmaking industry. Blancpain watches are made in Switzerland, in the heart of the Swiss watchmaking industry.

مكنا من الناحية



## PROPERTY

## Optimists see a year-end revival

John Brennan looks back to the future in 1991 and finds a glimmer of hope among property professionals

THE YEAR 1991 is a year that can be read backwards or forward, but the outlook for the housing market this year is more of a paradox than a palindrome.

Far from being a two-way option, housing's prospects are easier to read backwards. The housing market will be out of confluence and back in moderately good shape by the next New Year. Looking back from that time the forecasters hang their party hats on a few key assumptions.

One assumption is that the "affordability gap" will have continued to close, with money being cheaper at the end than at the beginning of 1991, and with the wages of those who hang on to their jobs continuing to rise. Another is that an injection of pre-election cheer, however artificial, will silence the recessionary chant.

A critical third assumption is based on the more subjective but reasonable bet that by the end of 1991 the home-owning population will have become fed up waiting for the market to turn.

"Tops and bottoms are made for fools, and the clever person buys before the market starts to recover. I feel far more confident from a residential point of view entering 1991 than I did in 1990, when it was clear that the market was still falling. Now, however, house prices have stabilised and the only way is up, albeit slowly."

Geoffrey van Cutsem, Chairman of Savills' Residential Division, taking the view that residential prices are "poised to recover".

Looking backwards into 1991 it is a fair supposition that at some point the majority of owners finally accept that the concept of "residential value" is a mirage. In the real world, "residential value" renders down to "achievable price", and that is no more complex than the amount that someone is willing and able to pay for a property. As soon as that fact overcomes owners' natural reluctance to accept less than the price they would have liked to achieve in a livelier market, the aspirational fog that still overhangs so much of the market will fade.

Two side bets and a state-

ment of the obvious may seem an insubstantial foundation on which to build a chorus of distant cheer from lenders, agents, and house builders. Indeed, faced with such predictions for the year end cynics might well murmur a variant of Mandy Rice-Davis' immortal words: "Well, they would say that, wouldn't they...?"

"Predictions are never easy to make and, with 1991 likely to be a momentous year they are even more difficult than usual, but we believe that, overall, there is reason for cautious optimism. Assuming that the Middle East crisis is solved, that interest rates fall, that confidence returns to business and commerce, we would expect 1991 to be the year which saw a gradual recovery in the housing market."

Anthony Cane and James Ling, joint chiefs of Savills & Parker's National Estate Agency Department, taking a cautious bet on a market in which they believe that prices have now bottomed-out and that sales activity is due to pick up.

It is true that a cheery housing market by the end of 1991 would be a line worth repeating long and loud in view of the dismal set of property stories at this end of the year. News of a winding up petition against Berish Berger's Land & Property Trust tops the appointment just before Christmas of a receiver to the Park West flats-block conversion that L&P itself had taken over from the original developers.

While the sales appeal of the conversion of the old West London Air Terminal building had for long been a matter of debate, the outstanding quality of Sir Terence Conran's ambitious Butler's Wharf development was never in dispute. Yet quality alone did not draw in the buyers or keep the banks at bay.

Any market that can make victims of such improvable losers as Conran and Berger has to be treated with extreme caution. And as for the immediate outlook, few have summed up the position quite so succinctly as Sir John Quintin, Barclays' chairman.



At a recent private dinner Sir John dazed his listeners with his description of a recession in which corporate lenders will find even less scope for pleasanties at their banks in 1991 than in 1990. In case anyone was left in doubt about the commercial climate he concluded by noting that dismal though his sketch of the immediate outlook for the economy might be, it ought to be viewed against the background that bankers are, by nature, optimists.

"There are signs that the worst may be over, but the next three months will be the key to whether 1991 is likely

to bring any kind of upturn in the housing market... There is unlikely to be any price boom in 1991. At best we anticipate only a modest rise in prices, almost certainly no higher than the inflation rate, because supply (nationally) will still outweigh demand."

Frank Burroughs, corporate planning manager of the Leeds Permanent Building Society, commenting on the outlook after a year when sales "were about 30 per cent down on the peak of 1988" and when prices ended the year lower across the country.

Early hibernation and nailing "do not disturb" signs to large

tracts of the housing industry until the year-end would be one way of avoiding having to read the runes for 1991 in the normal way - from the start to finish. But given the long cycles that characterise the housing market there ought to be some signs of a thaw now if there is any substance to the feeling that year will end in a less frosty way.

If you look close enough there are such signs, even if they are hidden behind the headline-grabbing property company crashes and mortgage repossession charts. William "Bill" McClintock, managing director of Royal Life Estates South, believes that the London housing market pulled out of its downward spiral in the autumn of 1990. As property prices started to level out, so sales volume started to pick up. He reports that, far from an universal glut of houses, there is now a shortage of properties for sale in the price range up to £200,000.

"People are still holding back," he says. "We have the applicants, but in the last quarter there has been a shortage of four bedroom family houses and properties at the lower end of the market."

Anyone interested in doing their bit to get the residential property market on the move again, says McClintock, should look at the work of the Landy, of Barnard Marcus. She explains the agents' informal coding for those who do bring their properties to today's market. A few minutes chat sifts the vendor into an A, B, or C category.

"You rate an A if you are deadly serious about a sale. These are people who want to move, or need to move, and who are willing to accept a realistic valuation," explains Landy.

"With the housing market set to improve in 1991, the smart purchasers are those who are buying while prices are attractive and housebuilders are still offering a little financial help."

A sample of unreserved enthusiasm from the New Homes Marketing Board. The Board has called itself thus

for this year by suggesting visits to housebuilders' show houses as a way of beating winter holiday boredom, and by arguing for including "buying a brand-new home" in one's New Year resolutions.

Enter the market as an A class vendor and the odds are better than even that your house will join the 60 per cent of properties that are sold in the first four weeks after they arrive on one of the London sales' offices' lists. In good markets and had it seems that the traditional estate agency rule of thumb about properties that sell fast and those that stick still holds true.

The timescales are longer for country properties, but for the average town house or flat, if doesn't sell early in its marketing period - which is when the agency is able to aim the most likely of its current crop of prospective buyers in that direction - it can be anyone's guess when it will be sold.

Category B vendors also want to make a sale, but they are not so keen to accept anything but their asking price.

Category C vendors are none too realistic about price. They will sell if they are lucky, and if the prospective buyer is so in love with the property, or so out of touch with events in the market, that he or she does not haggle over the price.

Whether viewed backwards or forwards, the outlook for 1991 depends as much on a progressive shift of vendors from these cautious C and B categories into the A-Team of actual movers as it does on any wider economic factor. As with any devaluation, once everyone accepts the new rates, it becomes business as usual.

"Real estate bashing has been raised to the level of a national pastime, and might reach the status of a fixation were it not for the distractions of a general recession. Exaggerated pessimism will be worse as a badge of honour this year."

A typically snappy 1991 forecast comment from US real estate counselors Landauer, which provides the consolation of knowing that the UK property market is by no means the only one to enter the year in poor shape, and with more than its share of the critics.

## Convert to the New World

AN ARTICLE in the Financial Times provided a timely business inspiration for civil engineer Robin Hoyle.

After years of globe-trotting in the construction industry, partly with Wimpey and Cementation, Hoyle was seeking a new departure. Initially he set up a property development company building retirement bungalows and houses in south-west England. But two years ago, faced with soaring land and labour costs, he decided to follow those developers who were turning to Spain and Portugal.

However, on the way to an Institute of Directors' seminar on overseas investment, he read an article about Naples, on the south-west Florida coast. If he caught his interest, and a trip was arranged through Florida agents who were attending the seminar, he flew out and was an instant convert to the green and well-sunbaked climate.

He joined one of the projects popular in the US sunbelt - a consortium of investors in a housing development rather than in a construction company - as both an investor and a co-ordinator.

As the only Briton involved in the proposed project of 53 houses at the Imperial Golf & Country Club, Naples, he was invited to give it a name and chose Weybridge, as a reminder of his adopted county of Surrey. Later two families from the English Weybridge, visiting Florida on a golfing holiday, heard of the estate and came to see it out of curiosity. Each bought one of the detached Spanish/Californian-style houses.

The two or three bedroom properties, on one or two floors, have living area, morning room, and perhaps a dining room or den. There is a double garage and that regional favourite, "Florida room" - a glass-enclosed sitting-out area like a giant aviary that keeps insects at a distance.

The 15-acre development, in an L-shaped angle of a lake, has tennis courts, swimming pool and clubhouse.

The properties are priced from £75,000 to £130,000. Hoyle says that the land cost

represents 15 to 17 per cent of the price, compared with sometimes up to quadruple that percentage in parts of the UK at the height of the property boom.

Eventually he hopes to get a US building licence. Meanwhile, he is helping to market the project to golf enthusiasts in Europe. After all, he says, while you may have to get up at dawn for a round of golf in Britain, there are 40 courses in the 90-mile strip between Naples and Sarasota on the west Florida coast. (Information in the UK, tel: 081-643-1446, or in Florida, tel: 813-597-3330).

Still in Florida, but further

Audrey Powell looks at properties on offer in sunny Florida

north, at Orlando, Sunley Holdings, a well-known name in British building, has 6,700 acres which will keep it occupied for the best part of 20 years. This is the Lake Nona development, the largest land holding in central Florida after Disney World.

There will eventually be 9,000 houses and apartments (current prices £200,000 to £250,000), with some 300 to 400 of them around the golfing complex. This is set among 800 acres of lakes, tennis, croquet and swimming pools. There will also be a hotel, shops and offices.

"Florida is not the healthiest market in the world, but housing sales are going reasonably well," says Clive Hoskinson, Sunley's managing director in London. Lake Nona is an entirely new operation. (Details from Orlando, tel: 407-851-9991).

The development's three-year-old golf club recently hosted the Solheim Cup, the ladies' equivalent of the Ryder Cup battle between Europe and the US. It was the first time this event had been held and getting it was regarded as a coup for the Lake Nona course.

## INTERNATIONAL PROPERTY

FRANCE **h** GROUP

Cote d'Azur: Villas, terrace houses, apartments situated between Menton and Saint-Tropez. Service - also after your purchase.

Les 3 Vallées: Well-placed ski apartments with letting guarantee situated between Courchevel and Meribel.

Visit us at the French Property Exhibition, New Connaught Rooms, Great Queen Street, Saturday the 12th - Monday the 14th of January, daily from 11 a.m. - 7 p.m. at sales pitch nr. 48.

MEISNER INTERNATIONAL Ltd.  
Connectas House, 1 Wine Office Court, Fleet Street  
London EC4A 3DL, Tel. 071-936 2038

In Brittany, near Rennes, 60kms from Mt. St. Michael, private owner sells luxurious villa (250 sqm) with fully equipped kitchen, spacious living room with fireplace, 5 bedrooms, 4 bathrooms and 85 sqm Solarium. On the ground floor, behind the hall in a 150 sqm room there is a 60 sqm heated swimming pool with another Solarium.

In the 300 sqm garden, there is a tennis court with night lights and a large garage. All of this house is equipped with electrical stores and radar surveillance.

£360,000

Call Mr Guignement on 99558334 (office) in France or Fax 99559422

## ROQUEBRUNE - CAP MARTIN

For the connoisseur - close to Monte Carlo

Announcing two new luxury projects by the developers of quality properties on the Cote d'Azur.

"LES BALCONS DE NEPTUNE" a small exclusive Residence of 21 apartments close to the shoreline and overlooking the Baie de Roquebrune and Cap Martin.

"DOMUS FLORA" a group of 4 Villas/Apartments in a private domain with panoramic coastal views to Monaco.

Sole agents for the UK:

Agence Generale Savills, UK office,  
3 Press Lane, Norwich NR3 2JY.  
Tel: 0603 406316 Fax: 0603 621830

## FRENCH PROPERTY NEWS Free monthly.

Old, new & old property, local colour & life. All for your free copy now 091-918 1991

GUERNSEY Come to live where the quality of life still counts and residential entry is simple. Price ranges commencing £25,000. Full property pack from Martin, Maidens & Co. 15 Priory Lane, St. Helier, Jersey. Tel: 0681 719493 or Fax 0681 711822.

## MANHATTAN, NEW YORK, owner sells large

studio apartment completely furnished by interior decorator. 60th St. & Park. 11,000.00 US\$ or equivalent negotiable. Tel: 212-693 4895 Holland. 33 33 30 33 18 Monaco.

WATERMILL NORTH HAMPSHIRE 6 km. Sense of peace. Private Garden, woodland, stream. 11,000.00 US\$ or equivalent negotiable. Tel: 0232 657005.

## COTE D'AZUR

Cannes & Surrounding Areas. Established Bi-lingual Company offers comprehensive range of properties to suit all requirements. Choose from Villas & Apts. New & Resale, Coast & Country.

JUST IN: Villa on the new Mandelieu Golf. 3 Beds. 3 Baths. Pool. 2650,000 Frs.

Villa, Panoramic Sea View. 4 Beds, 4 Baths. Interior Designed. S.Pool. Tennis. Nr Cannes. 5,000,000 Frs.

Cannes California. De Luxe Apt. 3 Beds. 3 Baths. A/Cond. 180° Sea View. S.Pool. 4,950,000 Frs.

AZUR INTERNATIONAL AGENCY

London Tel: 071 402 4532  
Cannes Tel: 010 33 92 98 01 02  
Fax: 010 33 92 98 01 11

+ SWITZERLAND +  
Sale to foreigners authorized

Lake Geneva & Mountain resorts

You can own a quality APARTMENT/CHALET in: MONTREUX, VILLARS, LES DIABLES, LEVIGNY, OSTAD VALER, GRANS-MONTANA, VERBIER, etc. from SF. 200'000.- Credit facilities.

REVAC S.A. 52, rue de Montbrillant - CH-1202 GENEVA  
Tel. 41.22.734 15 40 - Fax 734 12 20

## SALISBURY NEW HAMPSHIRE

MIXED FOREST

232 Acres of exceptional Red Oak and White Pine, 15 miles from Stone Capital. Timber some 15 years from maturity currently valued at \$134,000.

Principals only

John Taylor

BP 66-83990 - ST TROPEZ - FRANCE  
TEL 94 97 07 30 - FAX 94 97 50 33

CHAMPAGNY - LA PLAGNE

Traditional Alpine village centre 1992 winter Olympics area. Superb skiing

La Plagne/Courcheval. New Chalets/apts. in great position by ski lift.

Caroline Glead 0787-247 344/247693.

LOVELLS

PROPERTY PROFESSIONALS SINCE 1879

Guernsey Channel Islands.

We specialise in the sale of property to new residents in this low tax island and offer:

\*Free "Settling in Guernsey" colour brochure and fully illustrated colour property brochure

\*Prices start from £250,000

CONTACT US NOW TO DISCOVER THE ADVANTAGES OF LIVING IN GUERNSEY

P.O. BOX 50, 11 SMITH STREET, ST. PETER PORT, GUERNSEY.

TEL: 0481 23434. FAX: 0481 713494.

DEYA, MALLORCA

Beautiful, imposing 17th century villa, set on hill top, in 14 acres of olive grove. Spectacular sea views. Some modernisation required. £650,000. Private sale.

071-836 4080

## PRINCIPALITY OF MONACO

MAGNIFICENT 6 ROOM APARTMENT (260 SQ.M.)

For sale, composed of: large living room, fully equipped kitchen, 5 bedrooms - presently being redecorated, with marble floor, air-conditioning, 3 parking spaces and view of the Mediterranean. For further details please contact:

A.G.E.D.I.

ERPI Residential

7 et 9, Boulevard des Moulins

MC 98000 MONACO

Tel. (33) 93.50.66.00

Fax (33) 93.50.19.42

MARBELLA CLUB

Situated within grounds of the prestigious Marbella Club, 3 bedrooms, 4 bathrooms, 3 beds/3 bath villa. Delightful, mature private garden with pool.

1 of the few houses within the club area. Benefits from very good security & excellent letting potential £375,000.

Offered for sale by U.K. P.L.C. (est. 1928).

Tel: 0509 890696

CAP FERRAT BY THE MONTH OR FOR LONGER LETS

Exceptional property with park, tennis court, swimming pool and carport. The main dwelling of a living area of approx. 500 sqm. Consists of reception rooms leading to a large terrace, modern kitchen, five bedrooms with adjoining baths, servants bedroom with bath and garage. Stunning views over the sea, Cap d'Antibes and the French coastline. Principals only

BEAUJEU MANCHELIER

Port de plaisance

0310 BEAUJEU SUN MER

Tel (33) 83013222 Fax 83013355

BOVIS

LUXURY HOMES IN THE ALGARVE FROM £100,000

Weekend Visit from £200.

Tel 0202 291906 or write to

Bovis Abroad Ltd

127 Sloane Street

London SW1X 9BA

BOCA RATON PALM BEACH

If you are considering the purchase of a luxury residence in this area, please contact:

Rodney Carme, Realtor

c/o Coldwell Banker

101 N Federal Hwy

Boca Raton, Florida 33432

407 391 6997 Fax 407 391 6529 (USA)

## ISLAND HOMES

NEW YORK, INC.

Specializing in the sale and leasing of Manhattan's luxury co-ops, condominiums and townhouses to citizens of the World.

5th Avenue/50th 17,901 Sq. Ft. INVESTMENT OPPORTUNITY

6-Story Townhouse - \$3.5 Million Reduction. Vacant commercial/residential 17/19/21/23/25/27/29/31/33/35/37/39/41/43/45/47/49/51/53/55/57/59/61/63/65/67/69/71/73/75/77/79/81/83/85/87/89/91/93/95/97/99/101/103/105/107/109/111/113/115/117/119/121/123/125/127/129/131/133/135/137/139/141/143/145/147/149/151/153/155/157/159/161/163/165/167/169/171/173/175/177/179/181/183/185/187/189/191/193/195/197/199/201/203/205/207/209/211/213/215/217/219/221/223/225/227/229/231/233/235/237/239/241/243/245/247/249/251/253/255/257/259/261/263/265/267/269/271/273/275/277/279/281/283/285/287/289/291/293/295/297/299/301/303/305/307/309/311/313/315/317/319/321/323/325/327/329/331/333/335/337/339/341/343/345/347/349/351/353/355/357/359/361/363/365/367/369/371/373/375/377/379/381/383/385/387/389/391/393/395/397/399/401/403/405/407/409/411/413/415/417/419/421/423/425/427/429/431/433/435/437/439/441/443/445/447/449/451/453/455/457/459/461/463/465/467/469/471/473/475/477/479/481/483/485/487/489/491/493/495/497/499/501/503/505/507/509/511/513/515/517/519/521/523/525/527/529/531/533/535/537/539/541/543/545/547/549/551/553/555/557/559/561/563/565/567/569/571/573/575/577/579/581/583/585/587/589/591/593/595/597/599/601/603/605/607/609/611/613/615/617/619/621/623/625/627/629/631/633/635/637/639/641/643/645/647/649/651/653/655/657/659/661/663/665/667/669/671/673/675/677/679/681/683/685/687/689/691/693/695/697/699/701/703/705/707/709/711/713/715/717/719/721/723/725/727/729/731/733/735/737/739/741/743/745/747/749/751/753/755/757/759/761/763/765/767/769/771/773/775/777/779/781/783/785/787/789/791/793/795/797/799/801/803/805/807/809/811/813/815/817/819/821/823/825/827/829/831/833/835/837/839/841/843/845/847/849/851/853/855/857/859/861/863/865/867/869/871/873/875/877/879/881/883/885/887/889/891/893/895/897/899/901/903/905/907/909/911/913/915/917/919/921/923/925/927/929/931/933/935/937/939/941/943/945/947/949/951/953/955/957/959/961/963/965/967/969/971/973/975/977/979/981/983/985/987/989/991/993/995/997/





## An opportunity to acquire a very rare commodity.

Only ten minutes from the centre of London, Barratt have created a very rare commodity - Chiswick Place. The whole development captures the history and classical elegance of Chiswick and yet still offers the ultimate in luxury living.

- CLASSICAL 4 BEDROOM TOWNHOUSES
- 3 LUXURY BATHROOMS / 2 EN-SUITE
- 1 & 2 BEDROOM APARTMENTS
- BEAUTIFUL FITTED KITCHENS
- ELEGANT FEATURE FIREPLACES
- MAGNIFICENT CONSERVATORIES
- PRIVATE GARDENS

4 BEDROOM  
HOUSES FROM AROUND  
**£330,000**

1 & 2 BEDROOM  
APARTMENTS FROM AROUND  
**£127,500**

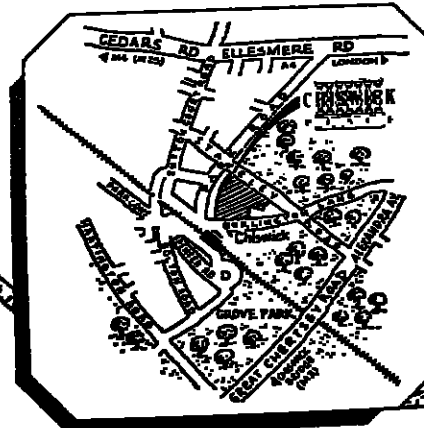
TROUBLE-FREE MOVE  
WITH BARRATT  
PART EXCHANGE SCHEME

- NO STAMP DUTY
- NO CHAIN
- NO AGENTS FEES
- NO WORRY

ASK FOR DETAILS

Visit the fully furnished  
showhouses open 7 days a week  
**CALL US NOW ON**  
**081 742 1185**  
**OR (0483) 505533**

**BARRATT**  
THE HOUSE BUILDER  
Chiswick Place, Staveley Road,  
Chiswick, London W4.



**FOLKES SOLICITORS EST. 1918**  
MATRIMONIAL • SEPARATION • MAINTENANCE  
INJUNCTIONS/WARDSHIP/CUSTODY/ACCESS  
LEGAL AID AVAILABLE

### CONVEYANCING £180\*

Sale/Purchase/Renovation/Residential Property.  
Fee includes mortgage related work when we act  
for your lender. \*Plus VAT and Disbursements.  
120 WILTON ROAD, VICTORIA, LONDON SW1V 1JZ  
TEL: 071-931-0695 FAX: 071-873 8566

### INTERNATIONAL PROPERTY

## FOREIGN MANORS

EXCLUSIVE PROPERTIES  
Lovely old village house, fully restored. Against hill, part of interior  
courtyard, cave and roof terrace. Beautiful view, 240m<sup>2</sup> habitable  
surface. Luberon, FF, 1,250,000 + 3%  
A very unique Belle Epoque manor, fully restored. On terraced hill side  
close to village. 500m<sup>2</sup> habitable surface, 1ha land. 20 min. from St  
Euphrasie and 30 min. from Cannes 6.5m<sup>2</sup>FF  
Fortified XVth century Mas fully restored, one of the finest in the  
Luberon. Shepherd house, swimming pool in lavender field,  
outbuildings, 1.5ha. 1 hr from Marseille airport. 12m<sup>2</sup>FF+3%  
Please telephone Agnes Jaubert 061-877 1331 or write to  
Foreign Manors, 21-23 Elysees Road, London SW18 2HW.

**ANDORRA**  
BUY DIRECT FROM BUILDERS  
Andorra - the true tax haven in the Pyrenees  
Full sales management and rental service.  
**CISA ANDORRAN PROPERTIES**  
12, Kings College Road, Ruislip, Middx HA4 8BH. Tel (0895) 621617

### RENTALS

### LONDON

### FLAT TO RENT

London SW1 - Pimlico. Superb 1 Bedroom flat enormous  
sitting room ideal for entertaining, patio, use of tennis  
court, fully equipped kitchen cleaner available. Close to  
Victoria main line and Pimlico underground station.  
£265.00 per week

Phone 071 605 3315 (work) 071 736 8804 (home).

### PENTHOUSE

### ALBERT BRIDGE SW3

A stunning 3 bedroom penthouse  
with 1400 sq ft roof terrace  
overlooking Albert Bridge.  
Absolutely superior in every way.  
Jason Arden 081-508-1201 or  
081-530-6085.

### HARLOW AREA

Double room to let in shared  
house. Ideal for professional  
couple. Furnished house.  
£350 per calendar month.  
TELEPHONE 081-640 4827  
EVENINGS.

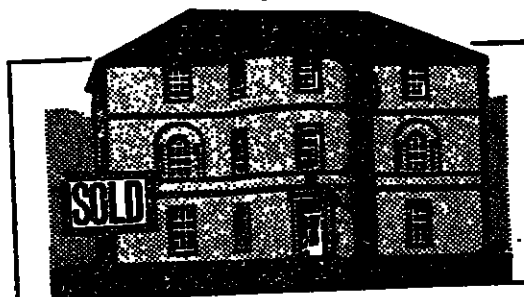
### INTERNATIONAL

### COTE D'AZUR.

Vance. To let. New 2-bed  
well furnished villa.  
Garden, pool, superb  
views, possible car.  
From £400 per wk.  
Phone anytime 016 33 93 38 96.

### DON'T FREEZE ON STATION,

rent my cosy secure flat in  
Spitalfields, with everything  
included and the work done  
for you by my Filipina  
maid, and your own phone  
at £200 per its a snip!  
Ring 071-247 4201.



## SELL YOUR HOUSE

## Through the Weekend FT Property Pages

To advertise your property in the Saturday property pages, simply  
complete the coupon below and return it to: Dawn Redwell,  
Residential Property Advertisement Department, Financial Times,  
Number One Southwark Bridge, London SE1 9HL.

Allow five words per line (minimum 3 lines) Cost: 5-15 words  
£31.05 20 words £41.40 25 words £51.75 30 words £62.10 35  
words £72.45 40 words £82.80. These rates include Vat.  
Advertisements over 40 words, rates are available on application,  
please attach copy separately. Lineage: £9.00 per line + Vat.  
Display: £33.00 per sec + Vat (Minimum 3cm) Mono  
£46.00 per sec + Vat (Minimum 10cm) full colour  
Please insert the following copy in the Weekend FT: 1991

I wish to pay cheque, value £ \_\_\_\_\_  
made payable to: Financial Times Limited.

I authorise you to debit from my Visa/Amex/Access account  
(delete as applicable) the sum of £ \_\_\_\_\_

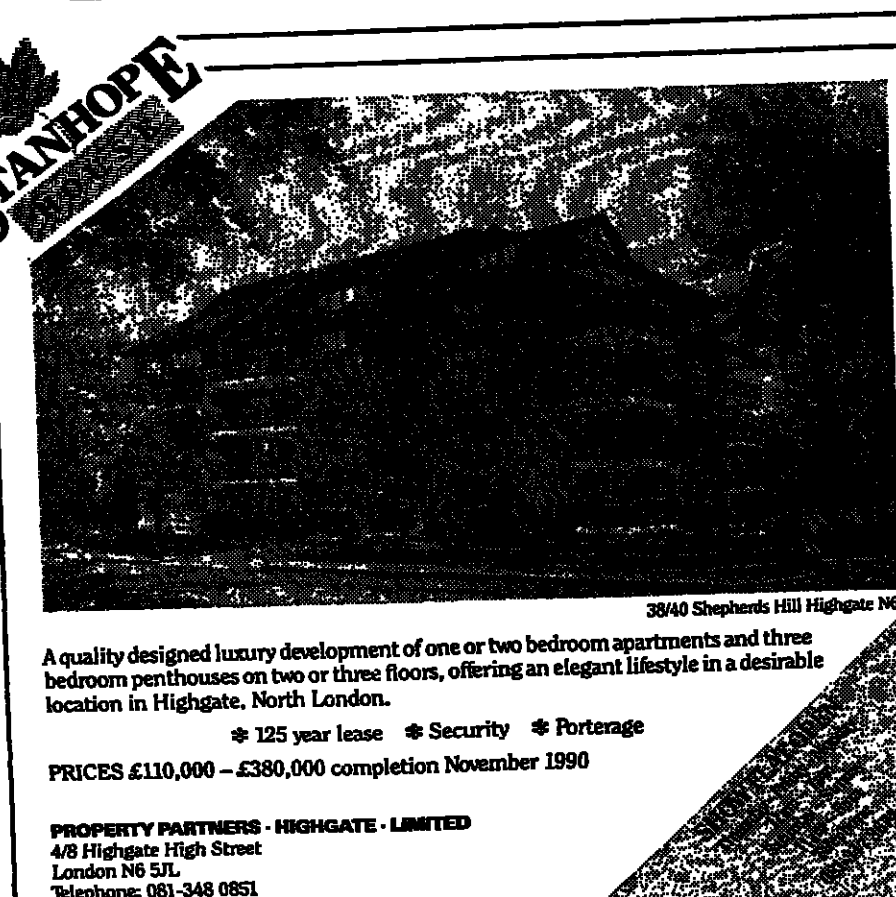
Signature \_\_\_\_\_  
Card expiry date \_\_\_\_\_

My card number is \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Postcode: \_\_\_\_\_  
Daytime Tel No: \_\_\_\_\_

Weekend FT Property Pages 071-873 3390



38/40 Shephards Hill Highgate N6

A quality designed luxury development of one or two bedroom apartments and three  
bedroom penthouses on two or three floors, offering an elegant lifestyle in a desirable  
location in Highgate, North London.

\* 125 year lease \* Security \* Portage

PRICES £110,000 - £380,000 completion November 1990

PROPERTY PARTNERS - HIGHGATE - LIMITED  
4/8 Highgate High Street  
London N6 5JL  
Telephone: 081-348 0851  
Fax: 081-341 0851

Close to Marylebone High Street

Marylebone Street  
London W1

One and Two Bedroom  
Apartments available on long  
leases. Prices from £134,500

Elliott Son & Boyton  
24 Wigmore Street  
London W1M 9SE  
Tel: 071 231 2000  
Fax: 071 231 2000

Surveyors, Valuers & Auctioneers.

071 323 3007

CLUTTONS

45 Berkeley Square, London W1X 5DB. Tel: 071-408 1010

SOHO W1

Magnificent fully restored  
grade II listed 18th century  
house 4 recep.,  
4 beds, must be seen  
£338,000.

Swaby Cowan  
071-651 5313

MAYFAIR -

3 BEDROOM  
maisonette. Long lease.  
Quick sale. £300,000.  
Reduced from £329,000.

Tel: 071-499 7971.

## INDIVIDUAL RETIREMENTS FOR INDEPENDENT PEOPLE

FULLANDS COURT, TAUNTON  
ASHCOMBE COURT, ILMINSTER

2 & 3 bedroom cottages  
and apartments  
£130,000 - £205,000

Another new development will be  
available mid-1991 at  
Lane End, Mallow, Bucks

The  
English Courtyard  
Association

8 Holland Street, London W8 4LT  
Telephone 071 937 4511



### FOR SALE

### FORESTRY LAND

### GALLOWAY HILLS

### NEAR NEWTON STEWART

229.9 Ha. (568.1 ac.) Good Hill & Moor Land  
153.5 Ha. (379.3 ac.) Woodland Grant Scheme approved

EXCELLENT GROWTH POTENTIAL - SPECTACULAR VIEWS  
SIMPLE BUT ATTRACTIVE LANDSCAPE PLAN

Particulars from:  
DAVID GOSS & ASSOCIATES  
Forestry Consultants  
Kerrie, Morningside, Newton Stewart.  
0671 2887

## CORNWALL TAX SHELTER

For Capital Gains Tax Roll Over Relief

Holiday Homes with full Management Services are being  
constructed and sold by a leading West Country Holiday and  
Construction Company. These new purpose built 2, 3 and 4  
bedroom villas are on Managed Leisure Villages with many  
facilities. The villages themselves are strategically positioned to be  
effective players in the flourishing, quality UK Holiday Market.

PRICES - fully furnished  
**£39,000 to £75,000**

Full brochure pack and/or video from:  
Domaine Leisure Ltd, Domaine House, Gullval, Penzance,  
Cornwall TR20 5YN Tel: 0736 60260 or Fax 0736 51219

### Berrys Land Division

### Development Site - 7 acres

### LEICESTER

Residential development: 115 dwellings

Office development 190,000 sq ft plus.

Prestige site in Parkland Setting.

### FOR SALE

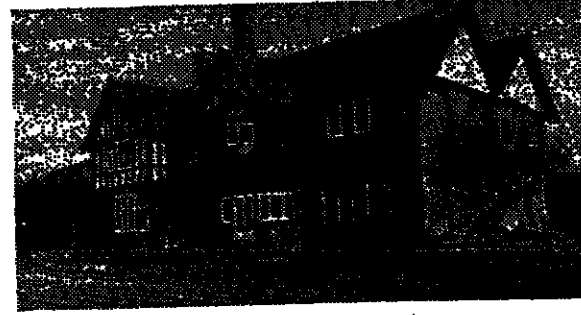
### BY PRIVATE TREATY

Contact Marcus Bates/Adrian Look  
Tel: 0536 410088



### Normanton on Soar

### Nottinghamshire



A country residence of distinction on the borders of Nottinghamshire and  
Leicestershire with delightful grounds of approximately 1 acre adjoining the River  
Soar. Dating back to the 17th Century the house has been extensively  
modernised and comprises elegant reception hall, six reception rooms, Siamese  
luxury kitchen, six bedrooms, two bathrooms, house-keepers room; many period  
features throughout. Picturesque southern aspect overlooking beautiful gardens  
and river with mooring and fishing rights, plus bathhouse. Extensive garaging and  
stabling available.

£295,000

Warren & Allen, Solicitors,  
10 Market Street,  
Birmingham B15 1BS  
Tel: (0845) 838450

### EDWIN THOMPSON & CO.

Chartered Surveyors, Land & Commercial Agents

### THE STURLOCK ESTATE

Almonds, Northumberland

A first class two day grouse moor  
managed by the late Sir Joseph  
Nicholson, having an average bag of  
800 grouse over the last 21 seasons.

Keeper's house, tenanted farm,  
Commercial Woodland, 91 3/5 acres,  
Allotment, cottage requiring renovation.

Freehold of 574 acres.

Sporting rights over 5,470 acres, or  
thereabouts.

3,636 acres.

42 St John's Street, Keswick, Cumbria CA12 5AG  
Tel: (07687) 72989

### NORTH COTSWOLDS, BROADWAY

Fine Cotswold house on rising ground

3 well-proportioned reception rooms; excellent  
domestic offices; 6 bedrooms; 2 bathrooms; shower  
room; oil central heating

Garage 3/4 cars

Beautiful grounds of 2 1/2 acres

£575,000 freehold

Nationwide Anglia - Sandoes, 41-43 High St,  
Broadway, WR12 7DP Telephone (0388) 852456

## PUT YOURSELF IN AN ENVIABLE POSITION...

Many a discerning  
homebuyer would like  
to be in the shoes of the  
proud owners of an  
elegant 3 or 4 bedroom  
detached bungalow or  
house at Allen House  
Park in Hook Heath.

With their Poggenpohl  
kitchens and utility  
rooms, their spacious  
reception rooms, their  
luxury bathrooms and  
landscaped gardens,  
Allen House Park is the  
talk of the town -  
which, incidentally is well  
connected with London.  
You too could be the  
envy of everyone,  
simply visit our wide  
range of showhomes  
today.



### • Extensive private

grounds

• Within an hour's drive

of Central London

• Rural outlook

• Classical manor-style

properties

• 4 and 5 bedroom

homes, together with

3 and 4 bedroom

bungalows all

detached from

£235,000.

• For further details and

a brochure please

telephone

(0483) 756881

(24 hrs).

Showhomes open daily

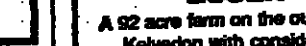
11am to 5pm.

ALLEN HOUSE PARK

HOOK HEATH ROAD

HOOK HEATH

WOKING



### STRUTT & PARKER

### ESSEX

A 52 acre farm on the outskirts of

Kelvedon with considerable

development potential.

Spacious listed farmhouse, listed

cottage for renovation, extensive

listed farm buildings, Grade 2 estate

land.

FOR SALE IN A LOT BY INFORMAL

TENDER CLIPPING ON

WEDNESDAY

20th FEBRUARY 1991

Chelmsford Office

Coral Hall

Chelmsford CM1 2QF

Tel: (0245) 258201

Ref: 553/50065

### URGENT SALE!

### ESSEX

### STANDFORD-LE-HOPE

Large 4 bed semi-detached house in quiet

setting off on a 21 A house, fully

fitted kitchen, utility/dish room, bath,

large garden.

NO CHAIN AHEAD

£108,000

one for early completion.

Tel: 0375 670117

### BASTON -

Elegant newly converted

house on quiet Macclesfield Road, Macclesfield

views of Cheshire. 2 beds, 2 baths, top

on-suite, 24' Lounge, fully equipped

Kitchen, GCH, from £88,000. Normans &

Souley Road, Bury, Greater Manchester.

Tel: 0777 26412

### Tilhill Forestry

HAVE YOU SOLD BUSINESS

ASSETS? ROLL OVER YOUR

CAPITAL GAIN AND DEFER

YOUR CGT LIABILITY?

Forestry land with associated capital

works is an excellent replacement

business asset, and growing trees

do not suffer CGT. 405 acres high

quality planting land now available in

the Scottish Borders. £155,000 incl.

road.

Tilhill Forestry Ltd

Old Sauchie, Sauchieburn,

Stirling FK7 9QG

Tel: 0786 811721

### SHOOT

### SHOOT TO LET

Prestigious Keppon shoot to let for up

to five years over approximately 2,000

acres, including 750 acres of woodland.

Keppon cottage, nursing equipment etc.

The shoot is located 20 miles to the

North of Central London. For details,

please apply to the Estate Office,

Hatfield Park, Hatfield, Hertfordshire.

Tel: (0707) 26412

مکان انجمن



## COLLECTING

# Art bunfights bring serious business

Antony Thorncroft on the season's fairs

HERE ARE some antique dealers who disapprove of antique fairs. They attract too many gawpers and not enough knowledgeable collectors. They turn the leisurely, gentlemanly process of exchanging works of art into a bunfight. They set dealers against each other and, if not properly vetted, give a patina of approval to some very doubtful objects.

But good fairs are here to stay. Many reputable dealers can no longer afford to pay rising rents and business rates on shops at a time when trade is definitely slack and operating through fairs is an excellent alternative. Dealers can meet regular customers and many more prospective buyers. They also provide a wonderful opportunity to pick over the stock of other dealers who may not be expert in all fields of antiques.

January is an excellent time for fairs, an opportunity to get the trade going again after the December doldrums. Among the general fairs, the best established is the West London at Kensington Town Hall from January 17-20 where more than 100 stands offer the genuine articles, that is, pre-1880, with furniture dating no later than 1870.

What makes this month the most notable and now one of the busiest in the crowded antique calendar is the series of specialist fairs, which were originally spawned because January was regarded as a lack month. Most notable perhaps is the World of Drawings and Watercolours which celebrates its sixth anniversary at the Park Lane Hotel in London from January 23-27.

This has proved one of the most successful innovations and a pioneer among specialist fairs. Watercolours and drawings are still very much a domestic market, with prices rarely going above £10,000, are bought by keen art lovers mainly to decorate their homes. The timing of the fair appeals to those who want to exchange late presents or to clear themselves up after Christmas.

This market has suffered from the recession, but, surprisingly, mainly at the higher price levels. At around £5,000 and under, watercolours and drawings have held their appeal. The top names among the creators of decorative cottage views, such as Atkinson and Foster, are still keenly collected, although prices have fallen from the feverish level of a year ago when the best Allingham were quoted at £50,000. The second division Victorian watercolourists, however, such as Sylvester Stannard, have suffered most from more cautious demand, not least from dealers who are reluctant to acquire

expensive bank loans to finance slow moving stock.

The organisers of the fair have been at pains to widen the range of works on show from the 50 dealers. In the past there was a criticism that the jolly holiday school of idealistic rural settings gave the event too sugary a look. Now there is everything from Old Master drawings to contemporary watercolours, with prices starting at £50. There are also two American dealers, including Charles Plante Fine Art of Washington DC, who is offering neo-classical drawings from the Napoleonic period including two room designs similar to Josephine's bedroom at Malmaison, as well as pencil sketches of Napoleon in exile on St Helena by a British army captain.

Watercolours and drawings appeal to civilised home-makers; prints to connoisseurs. The London Original Print Fair (currently running) is probably the largest of its kind in Europe and this year gains added prestige by moving into the Great Rooms of the Royal Academy and attracting the patronage of leading dealers, such as Waddington and Marlborough, who join regular exhibitors, such as Agnew's and Redfern. This fair is unusual in that it is organised solely by the exhibitors. Again there are prints for under £100 and a range stretching from Rembrandt to Hockney.

Waddington is offering a selection of its artists, including Stella, Hodgkin, Canfield and Blake, while Marlborough's stock includes Paula Rego, Ken Kiff and Pasmore. Gordon Cooke is concentrating on early prints by Graham Sutherland while Christopher Mendez has an array of portraits from the 18th to the 19th centuries, and Andrew Edmunds is selling Gillray caricatures, among others. Agnew's has discovered a set of nine prints of London in their original frames by Theodore Rousseau, a too-long ignored turn-of-the-century artist.

Contemporary print prices, especially for the works of Picasso, Miro, Chagall and Warhol, last year reached unprecedented levels - way into six figures - on the back of feverish Japanese speculative bidding. This market has now gone off the boil but most of the prints on offer at the RA are more reasonably priced and enable even the modestly financed collector to acquire a creation by the most highly regarded artists of the 20th, and earlier, centuries. The fair ends on Monday.

The other big event this month is Art 91 which opens at the Business Design Centre in Islington on January 24. This



Fair offer: this aquatint by Georges Rouault from his series *Flours du Mal* is on the Mulder stand at the London Original Print Fair

has quickly established itself as the marketplace for the work of young British artists.

The economic boom of the 80s winked out a new generation of collectors of contemporary art. They were rewarded by a golden age of British painting and sculpture, with artists such as Bacon, Freud and Hockney acquiring international reputations - and seven figure prices - while the work of Auerbach, Hodgkin and Kitaj moved smoothly into six figures.

This is the place to go if you fancy picking up bright new talents in their early years. And success can come quickly. It helps if you are Scottish - Stephen Conroy, Steven Campbell and Alison Watt are the most notable young artists who, within a couple of years of leaving art school, have galleries selling examples of their work for £20,000 or more. Dealers such as Flowers East and the Scottish Gallery will be taking space at Art 91 to show off the next generation in a relaxed atmosphere.

It is fortunate that these specialist fairs, concentrating on genuine collecting areas, should launch the New Year. The trade ended 1990 on a low note. Turnover at both Sotheby's and Christie's in the autumn season was 50 per cent down on the records of 1989. Some of the most successful dealers during the boom years, especially in the post-1870 picture field, had borrowed heavily from their banks as prices peaked last spring and are now committed to large interest payments while sales have fallen sharply. The banks are prepared to hold on for a few more months hoping for an upturn in demand - they do not want to foreclose and take on the ownership of hundreds of unsaleable pictures.

But just as the purchase of a Van Gogh for £49.7m at auction by a Japanese businessman has a knock-on effect down to Portobello market, so brisk selling at this month's fairs will restore confidence higher up the greasy pole that supports the art market.

# Belgian dealers brace themselves for 1992

"BELGIUM IS small. It's not a very well-known country and dealers here tend to have an inferiority complex. But 1993 will change things. The abolition of geographical frontiers may help us to get rid of mental barriers, too."

So says Patrick Ampe, who has been selling tribal oriental carpets in Antwerp for 15 years, and is one of around 2,000 antique dealers working in Belgium. Even though they are outstaged by their colleagues in Paris, Belgian dealers are nevertheless appreciated for the quality and variety of the art they sell and their modesty when it comes to top-of-the-market prices.

From January 21 to February 3, 45 of Belgium's top dealers from among the 125 members of the *Chambre Royale des Antiquaires de Belgique* will exhibit at their 36th Annual Fair in Palais des Beaux Arts, Brussels. The event is one of the last surviving national antique shows in Europe and this year the organisers, bracing themselves for the rush of foreign dealers after the unification of EC markets at the end of 1992, have again turned down numerous requests from galleries abroad.

The theme of this year's show is "Treasures of Central and Eastern Europe" and exhibits will be vetted by a team of 20 experts checking dates, attributions and ensuring that restoration is minimal. Dealers say they expect trading to be lively in spite of the recession and think that most will take place during the first few days. Jean-Jacques Tollemaans of the four-generation-old Brussels gallery Tollemaans which deals in 18th-20th century furniture and objects d'art, said they hope to sell almost everything on their stand to fellow dealers on opening night.

Tollemaans have an excellent stock and a first rate reputation. However, in spite of the occasional confident prediction, no one really knows what the open market will hold for the Belgian art market, although many fear a boom in international trade in Paris could drain custom.

A number of small dealers have been forced to close in recent months. The increasing

scarcity of high quality art in Belgian collections - and on the open market - is forcing big dealers to compete ever harder among themselves and travel further afield to prospect and buy.

Jenny Zeberg, of Antwerp, who has a magnificent selection of late medieval to 18th century furniture, objects and sculpture in her rambling 15th century town house gallery, says she visits New York and Scandinavia, the French Riviera and Ireland to keep a step ahead of competition.

Axel Vervoorde, who works out of his own 15-room 12th century chateau near Antwerp, looks at the special qualities of an art market living in the shadow of Paris

protected by numerous alarms and a deep moat, purchases up to 200 works of art a month and uses his personal jet to cut down on travel formalities.

At present, Belgium enjoys the enormous commercial advantage of having no export restrictions on works of art. Customs hold up and pre-emptions by museums and auctions (which are small, irregular and play little part in the art market) are unknown. In addition to a lot of passing trade from the rest of Europe and the US, Belgian dealers also enjoy the custom of rich Dutch art lovers who have settled in the country to avoid wealth tax at home and a solid core of native collectors who can be highly specialised in their tastes.

Renaissance cupboards and cabinets from Antwerp, for example, which are solid, chunky pieces of furniture made to last are bought and sold almost exclusively in that city. Zeberg says she would never expect collectors from the French-speaking part of Belgium, let alone anywhere else in Europe, to show the slightest interest.

Other differences in taste are evident in Flanders. Vervoorde, who has furnished his castle with 18th century English furniture, has a liking for what he

calls "architectural furniture" with strong, simple designs and shies away from the decorative influences of Paris.

"Brussels is closer to the taste of Paris than Antwerp. We like solidity. We like things that have patina, a lot of inner life, not just ostentation - in Paris they like things that are flashy and rich, which bore me. It's the spirit of an object that counts for me - that's the taste of the north," he said.

There is a small but rapidly developing contemporary art scene in Belgium but virtually no old master dealers worth talking of. A mass of decorative Flemish and Dutch paintings are drained off to Paris by dealers such as Monica Kruch and Galerie de Jonckheere, which in Brussels sells modern paintings.

Medieval and renaissance art, especially tapestries, the heritage of the prosperity Flanders enjoyed until the end of the 16th century, are particularly well represented in Belgian galleries. These dealers specialising in primitive and African art are world leaders in their field.

Few dealers can afford to be so specialised and most have broad choice of high quality goods from different fields. Notable exceptions to that rule are Patrick and Rie Ampe at Kallash Gallery in Antwerp, specialising in tribal carpets, and Tony Cammaert, one of Belgium's few specialists in Japanese art, who runs Kyoto Gallery in Brussels.

Gisèle Croës, an expert in ancient Chinese art, says she keeps her gallery in Brussels mainly for family reasons. Paris is the place she would most like to be.

"We have a more relaxed way of working and looking after our clients in Brussels. And the advantage for the client is that things are cheaper. I am sometimes amazed by the prices I see elsewhere," she said.

She dislikes the way the Brussels Fair excludes foreign dealers. "It's a bad thing for Brussels. We've got to open up and start inviting people from abroad. But we are too used to being dominated by the French and British. As we're not very self confident we try to do more. And because of that, you know, we're actually better."

## AUSTIN/DESMOND FINE ART

Pied Bull Yard, 15a Moonsbury Square, London WC1A 2LP  
071 242 4443



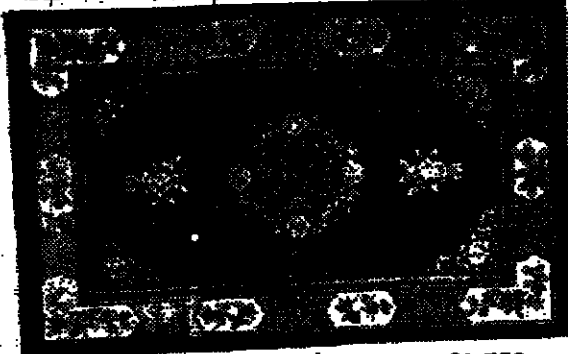
JOHN HAWKESWORTH  
Film design work from the 50's  
9-31 January

Catalogue open 10.30-6.30 weekdays 10.30-2.30 Saturday  
Catalogue available

## Oriental Carpets. January sale.



From Turkey: silk and wool rugs - £199 to £6,750



From China: rugs, all colours - £65 to £2,750

Open Monday-Thursday 9.30-5.00  
Friday 9.30-3.00. Sundays, doors open 9.30  
(Closed every Sunday.) All major credit cards accepted



DUVAL CARPET Co. Ltd.  
Duval House, 14 Gledbe Rd., London, E8. Tel: 071-249 9635

## THE LONDON ORIGINAL PRINT FAIR

AT THE ROYAL ACADEMY OF ARTS,  
PICCADILLY, LONDON W1



FRIDAY 11 TO MONDAY 14  
JANUARY 1991  
OPEN DAILY 11AM TO 6PM

© Scrimgeour H. Mathew/DACS 1990

## FROST AND REED

14 OLD BOND STREET, LONDON W1X 3DB  
Telephone 071-629 2457



Exhibiting at the World of Drawings and Watercolours Fair  
Park Lane Hotel, London W1  
23rd-27th January 1991

## DUNCAN R. MILLER

FINE ARTS

27 Park Walk, Hampstead,  
London NW3 1JH

For information  
please telephone 071-435 5462

## SCOTTISH PAINTINGS

ADAM, BAILEY, BEATON, BUNTING,  
CABELL CAMERON, COWIE, DONALDSON,  
EARDLEY FERGUSON, FRAZER, GILLIES,  
GUNN HORNELL, HUNTER, JOHNSTON,  
LAVERY LEISHMAN, MCLASHAN,  
METACART MAXWELL, MELVILLE, MILNE,  
MUNRO PATTERSON, PERLO, PHILLIPS,  
PRINGLE REDPATH, WALTON, WELLS

## World of Drawings and Watercolours

Original works of art from the  
16th century to the present day

Park Lane Hotel  
Piccadilly, London W1

23-27 January 1991  
11am - 8pm (7pm last two days)

Anna Ford will open Fair on 23 January at 12 noon

Lectures: 24 January 'British Humorous Art'

Lionel Lambourne 2.30pm

'Samuel Palmer - The Vision Fades'

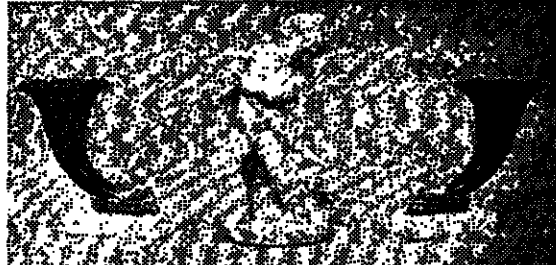
John Samuels QC 6pm

Information and lecture tickets: 071-491 8806

## WEST LONDON ANTIQUES FAIR

Kensington Town Hall, Hornton Street, W.8.

January 17th - 20th



General daytime 1891

Furniture pre 1870

All vetted for Authenticity

Thurs/Fri 11am-6pm

Sat/Sun 11am-6pm

Penman Fairs: 0444 482514

Bring this advert for One

FREE ADMISSION (normally £4)

Financed Times

## FINE PRINTS & DRAWINGS

19th CENTURY

William Blake

Constable/Lucas

Samuel Palmer

J.M.W. Turner

Turner of Oxford

J.A.M. Whistler

Robert Peet, Curtis Cottage, Yattendon  
Berks, RG16 0XB 0635-201218

CATALOGUE AVAILABLE NOW

## THE CATTO GALLERY

100 Heath Street, London NW3 1DP.

071-435 6660 Fax: 071-431 5620



18" x 22"

Pamela Kay

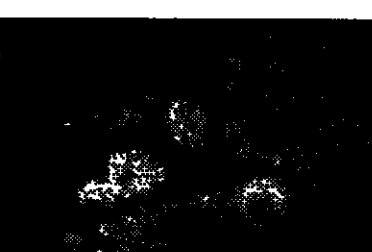
Stand B1 at The World of Watercolours

The Park Lane Hotel

23-27 January 1991

We have a large collection of watercolour

paintings by leading contemporary artists



Oil on canvas, Signed 18 x 15 inches.

1833 - Antoine Vollon - 1900

JOHN MITCHELL & SON

8, New Bond Street, London W1Y 9PE Tel: 071 493 7567 Fax: 071 493 5337

## To advertise on the next Colour Collecting pages please ring

Genevieve Marengi 071-873 3185  
or Julia Carrick 071-873 3176

مكتبة الأصيل



## TRAVEL '91

# A way through the thicket of travel ideas

Never mind the recession. Travel Editor Michael Thompson-Noel casts his eye over the latest crop of holiday offerings

THE MORE places you visit, the more you realise you have only scratched the world's surface, only seen the smallest fraction of its sights, and that there are places, even countries, you may never set eyes on before blankness and darkness descend and you are ready for the long journey that will see your smallest particles reduced, once more, to stellar dust.

In the meantime, there are places to go and fun to be had, as I am constantly reminded by the flood of travel brochures that sweeps across my desk - bright ones, dull ones, those seeking to be different. Once again I have spent some time rifling through a wide selection of the latest brochures in search of good ideas. The selection I have come up with is by no means comprehensive; in fact, it is fairly arbitrary - probably no bad thing. These are places that appeal to me, whether I have visited them or not. In some cases I have travelled with the company concerned, but certainly not in all.

Whatever holiday you are planning, the best advice is to visit three or four good travel agents and collect as many brochures as you can; ask these agents if they have first-hand experience of the holidays they are selling (most of them are widely travelled: when they are not selling holidays they are junketing around the globe on "fun trips" to familiarise themselves with what is new and different); decide exactly what sort of holiday you want - hectic, peaceful, cultured, phillistine; do your homework; visit a travel bookshop and ask the staff (they are invariably kind and wise) to recommend reading matter to match your requirements.

Warning: Not all these companies - many of which are small - are ABTA-bonded, which means that your holiday may not enjoy the level of financial protection to be expected when booking via larger, more mainstream operators. But that is down to you: holidays cost a lot of money; be properly cautious; always ask a travel company or agent what safeguards it is offering, and be clear in your own mind that matters like insurance (health, travel, cancellation) have been properly attended to.

No matter how sharp the recession, Italy is still going to attract its fair share of customers, and traditional villa holidays are never likely to go out of style. An extremely good operator is the London-based Chapter Travel, which has a lush brochure of villas, farmhouses and apartments in all the best parts of Italy, and another one that covers the international scene - villas, châteaux, beach houses, manoirs, etc. in a variety of exotic locations, from Mexico and Morocco to Portugal and Greece.

Last September I stayed in a splendid Tuscan villa - Le Bagaine, 12km east of Lucca, 50km west of Florence - that accommodates 12 people and features in Chapter Travel's Italian brochure. I and

my good friend rattled around the house and grounds in splendid style - appreciative of the swimming pool and fine Tuscan views, and grateful that it had not, actually, cost us a cent (apart from the cost of getting there. Also, we feasted greedily). Chapter Travel's 1991 brochure price for Le Bagaine is £2,885-£3,040 a week - not the most expensive (some villas cost more than £3,500 per week), but not the cheapest, either. Details: tel: 071-722-8550.

Naturally, Tuscany and all things Italian feature prominently in the brochures put out by Prospect Music and Art, whose tours in Europe and Turkey are led by experienced art historians. Tours include four days in Chartres (from £425), eight in Venice (from £795), classical Turkey (13 days from £1,175) and 12 days in Sicily (from £1,395). The same company also runs a range of opera and music tours; destinations include Salzburg, Verona, Bath, Barcelona, Munich, Vienna, Paris and New York. Tel: 081-856-2183.

Another arty company is Inscape Fine Art Tours, which offers a full programme of one-day and weekend study tours in Britain, augmented by a choice of more ambitious tours in Europe - renaissance Florence, medieval Bruges, Loire châteaux, Antwerp's golden age, and so on. One I quite fancy is Art and Architecture in Munich and Bavaria, October 12-19, priced at £725 per person including scheduled flights, seven nights' accommodation, entry fees, etc. The single room supplement is £88; participation is restricted to 20 people. Tel: 0938891-726.

A third arty company is Fine Art Courses, which is small and rather posh - attractively so: its tour lecturers this year include Robin Lane Fox (Naples) and the Amalfi coast; seven nights, September 26-October 3, £1,600 per person; I imagine it will be engrossing, even, possibly, breathtaking, and Sir Roy Strong (villas and gardens near Lucca; five nights, May 22-26, £1,395; no doubt hugely sensitive). Two new tours this year are Andalusia and the Welsh Borders. Tel: 071-437-5533.

If you like wildlife, you ought to get the Reef and Rainforest Tours brochure; the company says it aims to offer unusual long-haul destinations of keen interest to wildlife fans and divers, and to offer good personal service while keeping prices competitively low. It supports various conservation organisations, such as the Programme for Belize and the Whale and Dolphin Conservation Society.

Its main destination is Belize. For example, a 17-day tour of reef, rainforest and Mayan ruins costs £1,865 per person sharing, single supplement £155, inclusive of flights and accommodation but not including travel insurance (mandatory for tour members, as is often the case with out-of-the-ordinary holidays). Other destinations: Costa Rica, the Argentine and New Zealand (for whale-watching), and the Christmas and Cocos Islands. Tel: 071-381-2204. A bigger selection of wildlife holidays is



There are places to go and fun to be had, no matter how conventional

found in Cox & Kings' Environmental Journeys brochure - 30 tours and holidays in 24 countries. The wildlife section includes whale-watching, while a new section concentrates on naturalist photography (Luangwa Valley, Nevis, Belize, Chile, Botswana, India, France). Prices are from £820 for an eight-day botany tour of Gozo, off Malta, to £3,485 for a 21-day visit to the Galapagos Islands. Tel: 071-934-7472.

Aftercrucible & Kent Travel produces new brochures like cards from a sleeve. You might like its (rather jolly) Cavalry Tours job, which is full of adventure-riding holidays. If your ambition is to ride from Udaipur to the Pushkar fair for the festival of Kartik Purnima at the time of full moon (24.06-plus for 21 days), this is for you. Sample prices: Africa, from £2,845 for 16 days; Egypt, from £375 for eight days; Morocco, £1,399 and up; China, £1,808-plus for 22 days; South America, £2,117 and more for 15 days' riding in Chile. Tel: 071-934-9500.

Whale-watching is definitely high fashion. If you want a trip to the Sea of Cortez and the whale lagoons off Baja

California, Twickers World can guide you to the Baja Magdalena, there to view grey, blue, finback and humpback whales as well as orcas, dolphins, sea lions and birds. Eight-day cruises start at £1,025, 10-day at £1,165, not including the trans-Atlantic fare. Tel: 061-882-7606.

An intriguing new company is Detours, which aims to fill a gap in the market by running tours that provide insight into the life and culture of developing countries. It works with voluntary agencies overseas and is making a donation to each project visited. Twenty tours are planned for 1991, to Ecuador, India, Nepal, Thailand, Ghana, Ethiopia, Indonesia and Sri Lanka.

The tours also include visits to historic and cultural sites, wildlife parks - even beaches. For example: a thorough tour of Ethiopia (November 1-17) will present aspects of the country 'normally obscured by media concentration on natural and political disasters.' Price: £1,690 per person, single supplement £125. Tel: 081-948-8295.

Around-the-world air cruises are a growing market, as Trailfinders well knows: its brochure lists a selection of

round-the-world packages utilising scheduled flights and good hotels, and offering free travel insurance. There are two price levels, standard and de luxe, plus a range of single room and business- or first-class supplements. For example, the James Cook tour (21 days: London, Los Angeles, Auckland, Sydney, Bali, Singapore, London, using Gatwick and British Airways) costs £1,995-£2,250, single supp £595-£750, business-class supp £1,990, first-class supp £3,350. Tel: 071-938-4940.

I am not a great one for hurrying myself up mountainsides or wind-surfing down the Ganges, but if you want tailored itineraries of an adventurous or sporty sort, you ought to consult the Location Extreme brochure. The company was launched last July by climber Jonathan Garrett. A 12-day trek (16 days in all) into Nepal's Annapurna sanctuary, a glacial bowl hemmed in by 11 of Nepal's major peaks, is priced from £1,695, three days' trekking from the Matterhorn is £895, and a 14-day trip to Lhasa and the Tibetan plateau is £2,575-plus. Tel: 071-970-0890.

A more restful read entirely is 'CV Travel's Different Worlds brochure. The

company says it is the leading quality European villa holiday operator (no self-drive there) and is rapidly expanding its long-haul programme, featuring holidays in the Caribbean, East Africa, South America, Indian Ocean and Far East. For example: seven nights' full board at the Minerva Club, on a little island at 10-minute boat ride from Zanzibar; costs £2,799 per head, while 14 nights' use of a private villa with pool in Palm Beach, Florida, is billed at £2,630, not including flights. Tel: 071-589-0132.

As long as there is civilisation, so there will be Club Med. Its summer '91 brochure features 85 holiday villages world-wide, 69 serviced by flights from London (and 16 of those from Manchester). Prices for a week start at £422 for Hammamet, Tunisia (including flights) and £487 for Helios, Corfu. Direct long-haul flights from London start at £617 for Sandpiper, Florida, and £1,148 for Phuket, Thailand.

In May Club Med opens its first village in Ireland, at Waterville. Co. Kerry; Club Med in Ibiza, after from Ibiza Town, opens the same month, and the straw hut village of Oia, Crete (closed since 1987) reopens in the summer. Reservations can be made through most ABTA travel agents; brochure requests: tel: 0633-39460.

Cruising is becoming more and more popular, and is appealing to a younger, more affluent market. Cruise conducted on behalf of CruiseWatch (tel: 071-248-2288), a specialist cruise travel agency, which quizzed all major operators with UK bases.

CruiseWatch says that in the past decade the number of UK cruise passengers has risen by 80 per cent to about 160,000. The average age of British cruise passengers is now said to be 41½, against 53 10 years ago. Nine of the cruise lines interviewed said that under-35s comprised a third or more of their passengers. Norwegian Cruise Line claimed an average age of 28 for its three- and four-day Caribbean jaunts. In response to the important honeymoon market, many lines are providing double beds in suites, a far cry from the anti-social single beds of yore.

If war breaks out in the Gulf, the world travel trade will be convulsed. This applies to the eastern Med as much as to anywhere. Nevertheless, a brochure worth turning your eye over is the Cruise Collection of select agent Equity Cruises featuring eight cruise companies and holidays from three to 28 days in the Med, Aegean, Black Sea, Caribbean, Mexico, Panama Canal, Canada and New England. For example, the Starlauro line has three ships, including the refurbished Achilles. Equity is planning 10-day Greece and Turkey cruises ex-Venice from March to October starting at £780 per person. Tel: 071-729-1293.

Finally, here are some other brochures that caught my eye:

1. **Jettie Florida**  
Jettie Holidays - For family holidays to Florida and the Caribbean, there is no other choice. We also specialise in tailor-made holidays to all areas of the USA including the Hawaiian Islands. For a brochure or further details, please call  
Jettie Holidays  
33 Swanley Centre, Swanley  
Kent BR8 7TL. Tel: 0322 614801

2. **NIKE BAVARIA**  
Leisure cycling holidays thro' scenic Southern Germany. Romantic castles, steep villages, a German beer or two with a little cycling in between. Hand picked hotels, bicycles provided. Luggage transported. FREE brochures Tel: 0682 793249. 24 hrs helpline. Berlin Bicycle Tours, The Priory, High St., Redbourn, Herts AL3 7LZ

**Travel**  
**1991**  
**Brochure Guide**

3. **ALICE FRANCE**  
Alice France are the independent specialists in Villa, Cottage, Chateau and Hotel holidays for those wanting the good France. Our selection of properties includes many with pools, in coastal and country settings from Normandy to the Côte d'Azur, and we have chosen hotels - from rural cottages to historic châteaux - for their settings, character and warmth of welcome. Brochures (0903) 745319  
Alice France Ltd., 27 West Street, Stottington, W. Sussex BN20 4DZ

4. **A tropical island holiday**  
A tropical island holiday, a cultural experience or an action-packed safari. Whether you have your own ideas, or need a little inspiration, Montpelier Travel will tailor make the perfect holiday or honeymoon for you. With our exceptional experience and often first-hand knowledge of worldwide travel, we offer independent and unbiased advice coupled with an informative and personalised service. Please call us on 071-589 3400.

5. **Let Greaves Travel Show you the magic that is India.** Flights are via British Airways. Hotels are exclusively five star. Virtually throughout your stay you will be cosseted in air conditioned luxury. For a memorable holiday ask for the Greaves brochure, 'A Journey Through India' by calling 071-487 5557.

6. **COUNTRYWIDE HOLIDAYS**  
Walking, Adventure & Discovery and Special Interest Holidays in Canada, U.S.A., Japan, Zimbabwe, European Mountains and Mediterranean Islands.

7. **THE CAYMAN ISLANDS**  
One of the superb new destinations featured in the most complete holiday guide to the Caribbean. Discover top quality hotels, individual tailor-made holidays and much more from the Caribbean specialists - Caribbean Connection. For a brochure and expert personal service ring 0244 329250

8. **MAYA HOLIDAYS.** India will be a major destination of the 90's. We have just launched our 1991-92 brochure at a perfect autumn-raster to 'Visit India year 1991'. Our brochure will provide you with the most cost-effective and fully comprehensive product available. Furthermore, Tailor-made are our specialty. For your brochure call 081-963 1835

9. **Anything from easy classic walking holidays to long pioneering treks into remote areas amongst the world's highest mountains.** Quality, personal service including good airlines, first class hotels, private transport, excellent food and full service on trek. Use the coupon or ring (0272) 237 163.

10. **The coffee table brochure is free & offers for your pleasure a selection of outstanding country & town house hotels available throughout Britain, to the discerning traveller.** Each is privately owned & offers comfort and caring service beyond generally accepted standards. Please write for your brochure to Pidge of Britain Hotels, 20 The Greenway, Stottington, Chalfont, Bucks, GU15 8UG.

11. **Leisure Breaks**  
Enjoy a De Vere Hotels Leisure Break on England's sunny south coast and quality hotels around the country. Join in special Leisure Pursuits, Golf, Murder Mystery, Wine Taster's Club, Favourite Leisure Clubs with swimming pools, saunas, spa baths, squash, gymnasiums, August Super Savers. Free Children's Rooms. Phone now for a free colour brochure. Tel: 0799 414252

12. **MEON VILLAS**  
Offer a wide selection of quality villas, most with pools, in the Algarve, Spain, Greek Islands, Italy, Malta/Gozo, Corsica, France, the Caribbean and USA. Many holidays include car hire too!  
Tel: 0730 66561

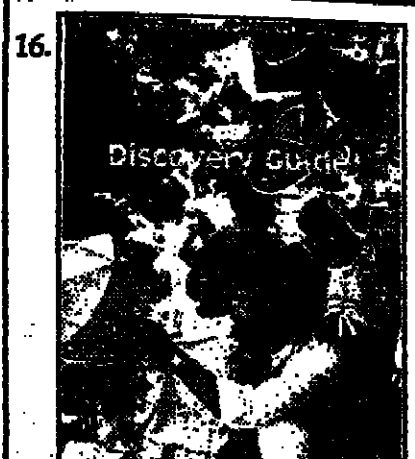
13. **Beautiful and historic Guernsey.** Easy to reach by air and sea. Warm and welcoming is this island of many delights. A glorious coastline; excellent accommodation; peaceful yet active. A superb holiday choice. Free information pack - phone 0481 723557

14. **SOUTHERN AFRICA TRAVEL,** one of the premier tour operators to South Africa, offer a great range of holidays including safaris, fly/rail, holidays by sea, country house hotels, escorted and semi-escorted tours, stay put, fly/drive and all of the highest quality. 0904 682469.

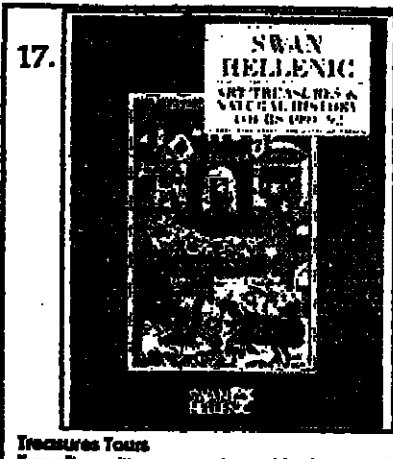
15. **ASHLEY ADAMS AUSTRALIA** offer quality travel arrangements to Australia, New Zealand and 'Round the World' combined with an expert and personalised service. All itineraries are tailor-made and may include splendid city breaks and beach resorts and selection of delightful country house hotels, luxurious wilderness lodges and air cruises, taking you off the beaten track in comfort and style. Telephone 0904 692892.

**TO ORDER YOUR BROCHURES FILL IN THE COUPON ON PAGE XIV OF THIS ISSUE**

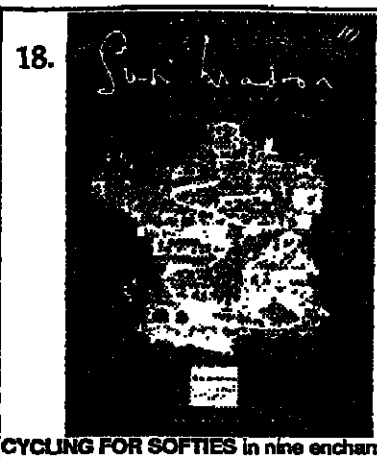




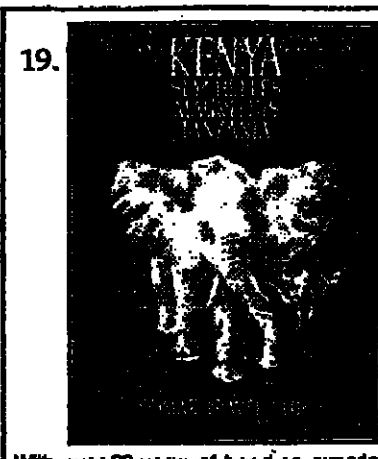
16. With Hong Kong offering such a wide variety of things to see and do you will want to stay longer. Our Discovery guide contains a suggested 10 day itinerary offering a selection of ways in which you can get the most out of your Hong Kong holiday.



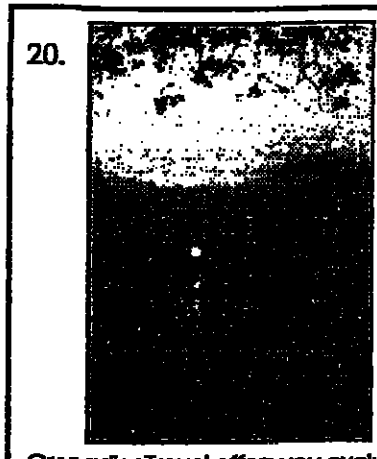
17. **SWAN HELLENIC**  
Travelling with an expert guest lecturer and small group of like-minded people, with Swan Hellenic you'll appreciate the finer points of view. You can consider aspects of history, art and architecture as you tour in Europe, North Africa, Central America, India or the East at a remarkable all-inclusive cost. For a brochure use the reader reply service or ring 071 631 1616. Swan Hellenic, 77 New Oxford Street, London WC1A 1PP



18. **CYCLING FOR SOFTIES** in nine enchanting regions of the Real France. Join us in our 10th Anniversary Year.  
Phone for your FREE brochure on 081-635-2400  
Susi Madron's Cycling Holidays Ltd.  
22 Lloyd Street  
Manchester M2 5WA (30)  
ATOL 2584



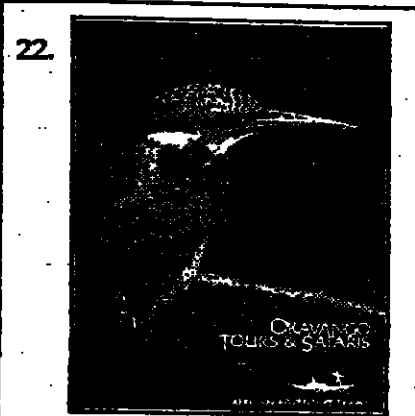
19. With over 22 years of hand-on experience in Africa and Indian Ocean Market, Sonnet Travel caters for the independent traveller who expects nothing but the best. The main areas of specialization are tailor-made holidays using British Airways scheduled flights, and low budget safari and beach holidays using Caledonian Airways charter flights.  
For full details call us on: 081-903 8166



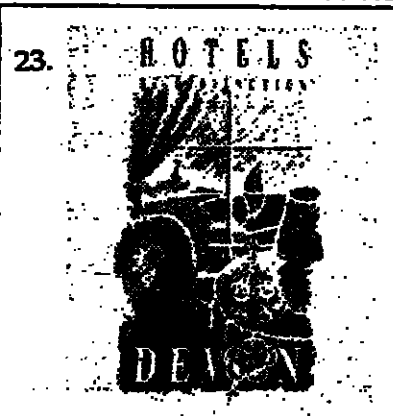
20. Grenadier Travel offers you exclusive safaris off the beaten track but still in comfort and style. We offer a personal service and welcome the opportunity to provide you with our brochure.  
Tel: 0206 549585



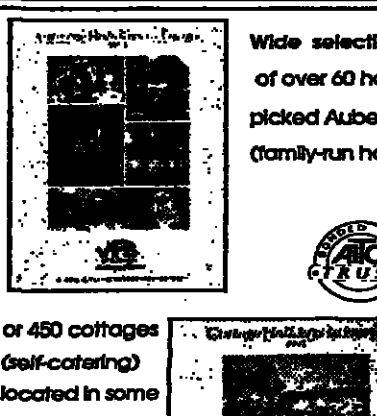
21. **ESPAÑA**  
An appropriate title for Mundi Color's summer 1991 programme. Fly and drive holidays to the Spanish interior take you to the heart of the country. Mundi Color offers a selection of innovative holiday ideas. Flights by Iberia scheduled services. Mundi Color - the acknowledged specialists for Spain for discerning travellers. Mundi Color Holidays, 278 Vauxhall Bridge Rd, London SW1V 1BE Tel: 081 688 2185 (24 hr brochure service).



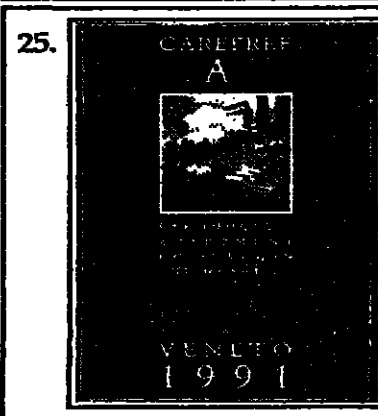
22. We are the experts in tailor made safaris to Botswana, Zimbabwe and Namibia. We also organise dream trips to Mauritius and Malawi. Our staff here and in Africa know what they are talking about.  
Please phone us on 081 341 9442, fax 081 348 9983 or drop us a line at 28 Bisham Gardens, London N6 6DD.



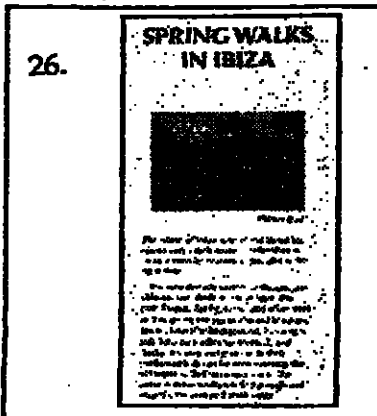
23. **HOTELS**  
Take a relaxing break at one of Devon's Hotels of Distinction. Set in glorious countryside or on superb coastline, each of the nineteen hotels is renowned for its quality, comfort, hospitality, wine and cuisine. It's what makes them so special!



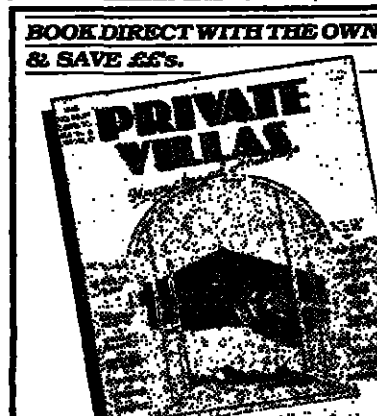
24. Wide selection of over 60 hand-picked Auberges (family-run hotels).  
or 450 cottages (self-catering) located in some of France's loveliest regions.  
For the discerning motorist: ferry or fly/drive.



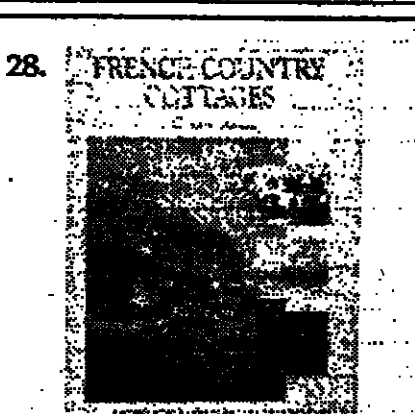
25. **CARFREE**  
Holidays with a difference, in the unspoilt countryside of Tuscany, Umbria and Veneto. Castles, convents, abbeys and apartments, hilltop farms and olive groves. Designed for the independent-minded who care about the environment, about the delights of traditionally grown produce and for whom a holiday should be intrinsically carefree.  
24 hour brochure hotline 0599 841900



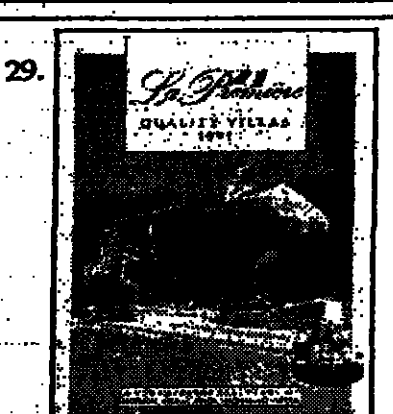
26. **SPRING WALKS IN IBIZA**  
Enjoy the flora + fauna of this lovely island. Parties of 6 only. English guides (fluent in Spanish). Lasts 1 week, Feb-May, Saturday-Saturday (scheduled flights). Comfortable accommodation in Santa Eulalia.  
Tel: 071-370 5032/3. Ibiza, ECOSAFARI, 146 Gloucester Road, London SW7 4SZ



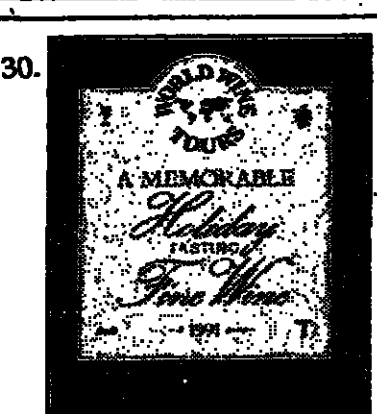
27. **PRIVATE VILLAS**  
GET PRIVATE VILLAS MAGAZINE NOW!  
AT W. E. SMITH, JOHN MCKENZIE & ALL GOOD NEWSAGENTS. OR CALL US ON 0864 794011.



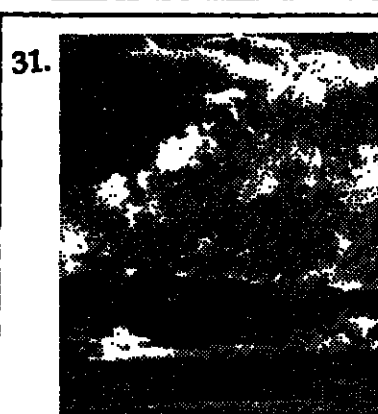
28. **FRANCE COUNTRY COTTAGES**  
Choose a French Country Cottage holiday in 1991 and when you open your cottage door, you'll smile. Spread across all of France's loveliest areas, seaside, riverside, countryside and even mountainside.  
Discover why over 80% of our reservations come from past clients and recommendations. Apply now for our 132-page colour brochure. You'll be spoilt for choice.



29. **La Premiere**  
We offer the finest collection of Luxury Villas with Private Pools in the South of France. All personally inspected by us. La Premiere Quality Villas (0343) 837871



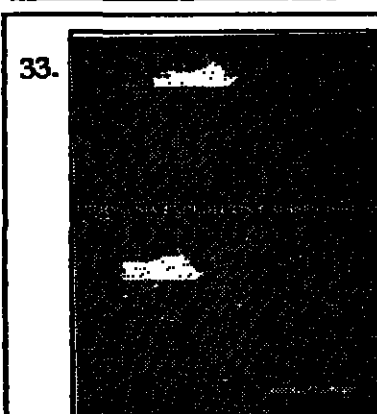
30. **A MEMORABLE Holiday**  
Visit the wine region of your choice to taste some of Europe's finest wines, accompanied by a wine expert (usually a Master of Wine) and a small group of like-minded folk. A World Wine Tour is a holiday, vinous and cultural, stimulating, relaxing and above all enjoyable. Tours run all over Europe and throughout the year. Tel: 0845 891919; Fax: 0845 891337; Te: 039998 GRAPES G.



31. **The Travel Trading Company**  
Innovative Soft Adventures to Alaska, Australia, Borneo, Burma, Canada, Thailand and the Indian Ocean, for thinking travellers.  
Tel: 0492 650225



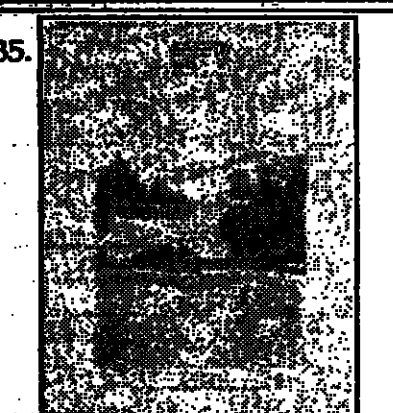
32. **EXPLORE**  
Over 100 original adventures to 80 remote destinations. Track Mountain Gorillas in Zaire, sail the Nile by traditional felucca, visit the pyramids of Giza, the white cliffs of Dover or the ruins of Pompeii. Travel by minibus, motorhome, truck, camel, elephant, on foot...  
Stay in hotels, new houses, wild huts, bivouacs...  
Every trip is as unique as the country we visit.  
For colour brochure: 0222 344191 (all times)



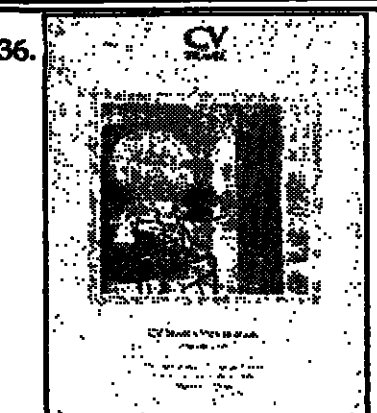
33. **Indonesia Spice Island Cruises**  
On an expedition cruise with only 40 other passengers weave your way amongst the breathtakingly beautiful Indonesian islands and travel ashore by Zodiacs to discover remote culture and stunning wildlife. Our luxurious mini-cruisers are fully equipped for watersports and for snorkelling or diving (house reef tropical reefs). For a brochure use the reader reply service or ring 071-631 1616. Spice Island Cruises, 77 New Oxford Street, London WC1A 1PP.



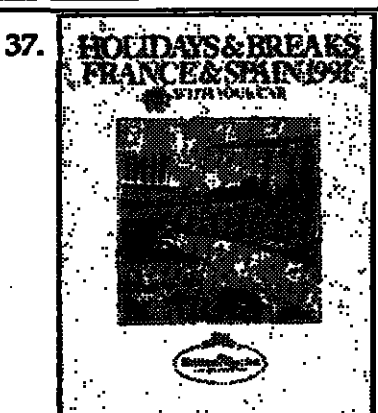
34. **Holiday to Norway, Sweden, Denmark or Germany**  
FROM £194  
Travel in luxury aboard a sleek, white liner on a City Break, self-catering or touring. Call our brochure hotline on: 0(081) 205 0500 quoting ref: MC20.  
**THE SCANDINAVIAN SEA WAY**  
SCANDINAVIAN SEAWAYS



35. **The SFV 1991 Villa Directory** features over 400 quality self-catering properties throughout France, Italy and Spain. Both coastal and rural, large and small, all properties are chosen with the discerning traveller in mind.  
Tel: 0665 57738  
Fax: 0665 310682



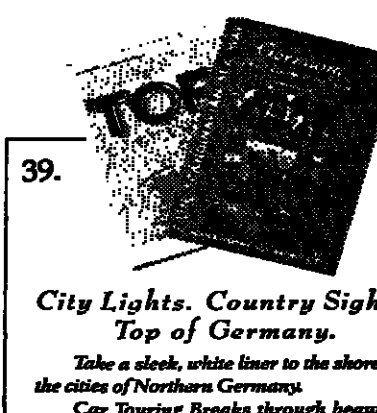
36. **CV Travel**  
This prestigious villa company are 20 years old this year. Their unique collection of really lovely houses in the most unspoilt parts of the Mediterranean includes Corfu, Paxos, Algarve, Majorca, Tuscany, Umbria, the Palazzo Belmonte, Southern Italy. (South of France - separate brochure)  
CV Travel, 43 Cadogan St, London SW3 2PL  
071-581 0851



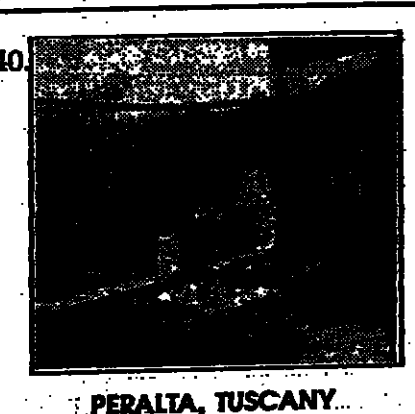
37. **HOLIDAYS & BREAKS**  
Brittany Ferries are the number one operator of car holidays and breaks in France and Spain. Holidays include over 1,500 Gites and Apartments, Mooring Holidays in France, Spain and beyond, Holidays and Short Breaks, and our new Hotel Value Vouchers giving ultimate flexibility at guaranteed value. For brochures ring (0709) 751708 or (0752) 299928



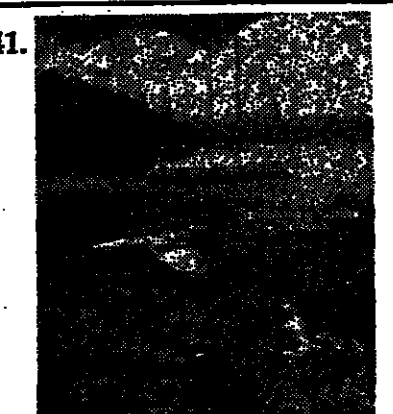
38. **AUSTRIA**  
Austria for all seasons. Including Opera/concert tours to Mozart's Bicentennial Celebrations. Vienna/Salzburg/Budapest Breaks from £199. Lakes/mountains or fly/drive from £157.  
Austrian + Vienna Travel Service  
(0628) 890797  
ABTA IATA



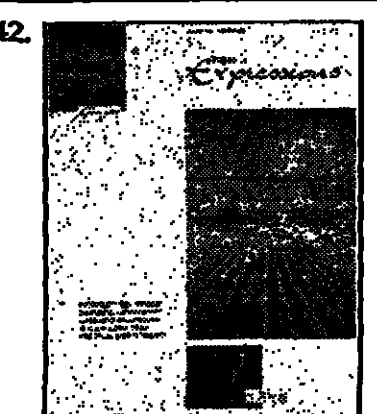
39. **City Lights, Country Sights, Top of Germany**  
Take a sleek, white liner to the shores of the cities of Northern Germany.  
Car Touring Breaks through beautiful countryside. City Breaks in Hamburg or Berlin.  
All from just £109. To find out more, simply tick the appropriate Reader Enquiry box, or call 0(081) 205 0500 quoting reference TG08.  
**THE SCANDINAVIAN SEA WAY**  
SCANDINAVIAN SEAWAYS



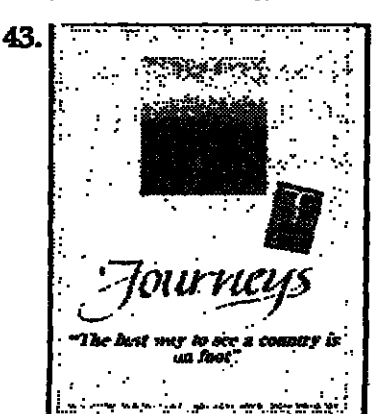
40. **PERALTA, TUSCANY**  
Surrounded by olive groves, only seventeen rooms, a pool and no children under 16 make this hideaway hotel 90 minutes from Florence an ideal base for touring Tuscany.  
TELEPHONE HARRISON STANTON AND HASLAM LTD for our colour brochure 071 736 5094 or fill in the coupon.



41. **Mariner Yacht Charter Services** offers worldwide yachting holidays, bareboat or crewed in the Caribbean, Bahamas, Australia, New Zealand, Tahiti, Tonga, Malaysia, Thailand and the Mediterranean. ABTA 42805, IATA, ATOL 2352, BMIF



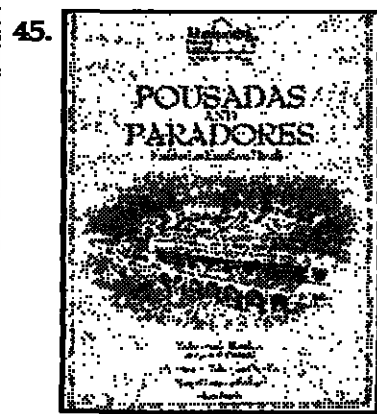
42. **Specialists in tailor-made 'packages'** to hotels of character. Self-drive or fly-drive all year round throughout France (also to Belgium and Tuscany). Plus Gastronomic Breaks, Golf and Honeymoons. Phone: 071 794 1480



43. **Journeys**  
Journeys on foot through the most beautiful and interesting parts of Europe. Comfortable accommodation, good food and wine, luggage transported on routes. Call now for brochure, 0865 251195.



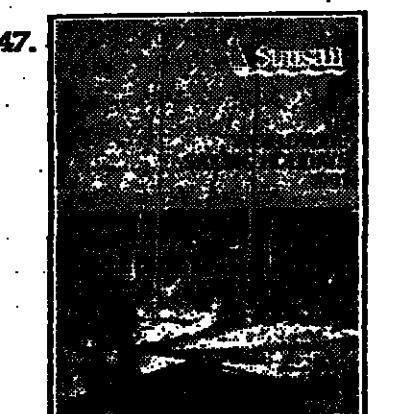
44. **FRENCH CHATEAUX**  
Tailor-made holidays away from mass tourism. Stay in castles, manor houses, palaces etc. and enjoy the heritage of Spain and Portugal. Fly-drive or take your own car.  
For specialist brochure and expert advice 0442 42 22 23  
ABTA 99798 ATOL 2431



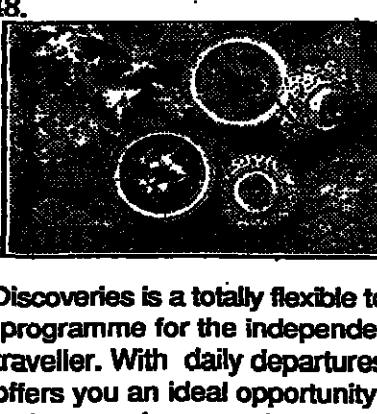
45. **POUSADAS and PARADORES**  
Character hotels of distinction throughout France with comfort and style. Short breaks, longer stays and tailor-made touring holidays. Take your own car or fly-drive.  
For specialist brochure and expert advice 0462 42 22 33  
ABTA 99798 ATOL 2431



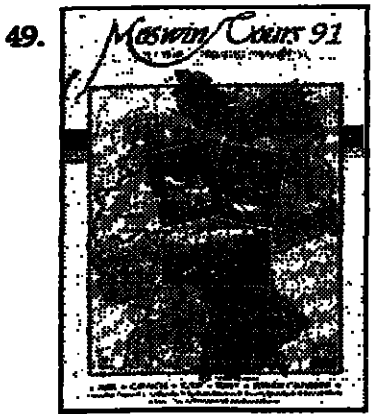
46. **THE BODY EXPERIENCE**  
ABANO - Italy's ancient therapeutic spa & mud treatment resort, frequented by busy executives to restore calm, balance and well-being to their bodies and spirit. Elegance, antiquity, fitness, relaxation, luxury, fine dining. After months of stress and gruelling routine. Rediscover yourself. Reinvigorate your spirit. Disinfect your body. Brochure Phone: 081 904 2202.  
ABTA 26778



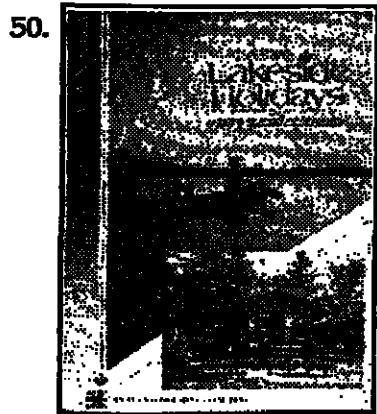
47. **Europe's leading Yacht Charter Company** offers Plothe, Bareboat and Skippered sailing holidays in Greece, Turkey, Yugoslavia, Corsica, Sardinia, The British Virgin Islands, St Martin, St Lucia, Bahamas and Thailand. For 1991 colour brochure Tel: 0705 210345.



48. **Discoveries** is a totally flexible tour programme for the independent traveller. With daily departures it offers you an ideal opportunity to plan your journey whether for business or leisure.  
240 West End Lane  
London NW6 1LG  
Tel: 071 431 0670  
Fax: 071 431 3657



49. **Moswin Tours** - the true Specialists for the whole of reunited Germany. Escorted tours, city breaks, self-fly-drive, Aircat, river cruises, special interest, family holidays, business travel, tailor-made. ABTA 82053 & AITO. Tel: 0533 719922/714982 or write to: Moswin House, 21 Church St, Oadby, Leicester, LE2 5DB



50. **Canadian Lakeside Holidays**  
Enjoy the very special experience of our unique self-catering holidays at your private lakefront cottage. Combine the tranquility of Ontario's magnificent lake country with entertainment in Toronto on an affordable two centre vacation.  
Canaland Holidays Limited (0278) 723117

ORDER YOUR BROCHURE REQUIREMENTS BY FILLING IN THE COUPON ON THE FOLLOWING PAGE.

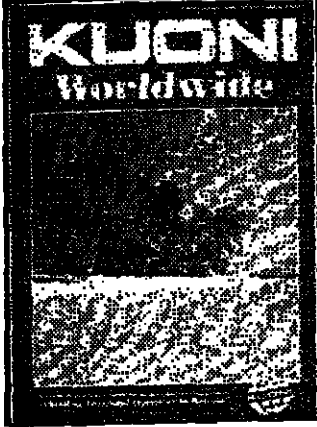


51. **Adventure Travel**



Hann Overland Ltd. is a long haul travel company specialising in short adventure holidays for small groups. These range from the rain forests of Borneo to the mountains of Tibet to the plains of India. For the adventure of a lifetime why not phone for our exciting brochure on 0883 744 705.

52. **KUONI Worldwide**



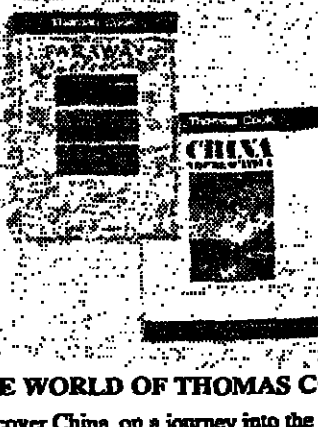
For the most comprehensive selection of worldwide holidays available call Kuoni's 24 hour brochure line on 0403 741731, and experience a world of difference with 'Britain's Best Longhaul Tour Operator'.

53. **Sherpa Expeditions and Hotel Treks**



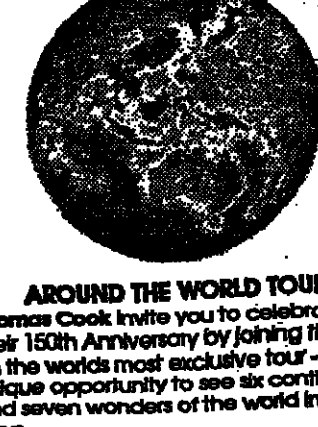
Holidays for walkers. A comprehensive programme of mountain and hill walking holidays in the world's most spectacular mountain regions. Call for your copy today. (081-577 7187 24hrs).

54. **THE WORLD OF THOMAS COOK**



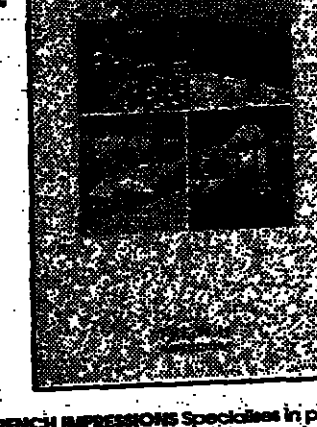
Discover China, on a journey into the unknown down the Yangtze River, along the Great Wall, or into the Forbidden City itself. Alternatively choose from an array of exotic destinations on our Faraway Collection. Call FREE on 0800 88 1212 for a brochure, or visit your local Thomas Cook Shop.

55. **AROUND THE WORLD TOUR**




Thomas Cook invite you to celebrate their 150th Anniversary by joining them on the world's most exclusive tour - a unique opportunity to see six continents and seven wonders of the world in 34 days. Our private Tristar jet will transport you in style and comfort; accommodation will be in the finest hotels and the cuisine, a gastronomic delight. All inclusive price \$18,500. Please phone John Hopkins or Jill Troth on 0733 352333.

56. **FRENCH IMPRESSIONS**



Specialise in private hire character chalets and old apartments throughout the French Alps, and offers a selection of charming hotels. Special ferry rates, car, rail or independent travel available. 061-342-6670 WINTER BROCHURE LINE

57. **COX & KINGS**



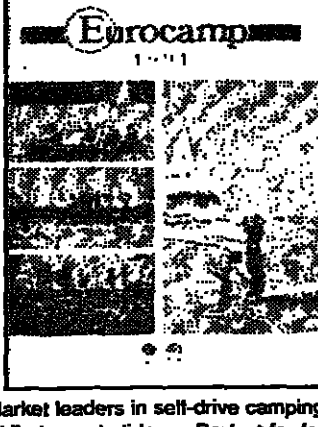
India: 12 memorable journeys of discovery. Cox & Kings escorted journeys to India include stylish travel, experienced tour managers, direct flights, a la carte dining and palace hotels. Discover the Himalayas or golden southern beaches plus majestic forts, palaces and temples. For a brochure use the reader reply service or contact Cox & Kings Brochure Service, PO Box 2, Blomere Park, South Wood L44 3EA. Tel: 051-355 7175.

58. **SOAR MILL COVE HOTEL, NEAR SALCOMBE.**




A golden sandy bay deep in the heart of National Trust land. As one of our treasured guests you will enjoy luxurious ensuite bedrooms with sun terrace, David Newlands exceptional cuisine and be able to swim at any hour in our indoor heated pool. Ideal for country lovers and children. For brochure Tel: 0548 561556. Egon Ronay AA \*\*\* RAC ETB 5 Crowns.

59. **Eurocamp**



Market leaders in self-drive camping and mobile home holidays. Perfect for families. Over 200 top quality sites throughout Europe. **ANYTHING ELSE IS JUST CAMPING** 0565 633844 Eurocamp, Tatton Street, Knutsford, Cheshire WA16 6BG

60. **THE CAYMAN ISLANDS**




THE CAYMAN ISLANDS on an exotic and peaceful British Crown Colony in the Caribbean. Perfect for relaxation, diving, watersports. Deluxe hotels, apartments and restaurants. Ideal for business meetings. Flights from Heathrow or Gatwick to Miami and onward by Cayman Airways 737-400 to Grand Cayman. For details Telephone 071-581 9960.

61. **ITALY SKY SHUTTLE**



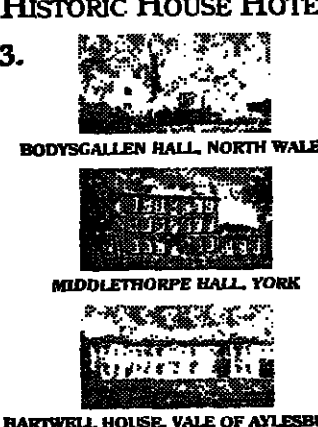
Italy Sky Shuttle is a totally versatile flight service to Italy combining scheduled and our own flights to offer our clients maximum choice and flexibility. Any duration, any combination - for business or leisure. Ring now 081 748 1333 for more details.

62. **FRENCH SELECTION**



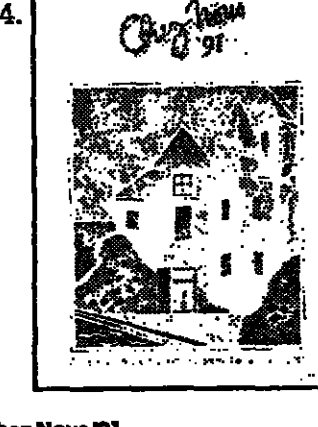
Select a holiday or a short break from the established specialists in French hotels and chateaux off the beaten track (including Corsica). They have all been chosen for their comfort, good food and fine wines. The French Selection, Chester Close, London SW1X 7BQ 071 235 0634

63. **HISTORIC HOUSE HOTELS**



TAKE A CHAMPAGNE BREAK AT ONE OF THE MOST SPLENDIDLY RESTORED HISTORIC HOUSES IN GREAT BRITAIN. PLEASE TELEPHONE CLARE GARVEY ON 0904-641241

64. **Chez Nous '91**




Book Direct. 400 private owners advertise apartments, villas, houses, studios, m/homes, B&B. All parts of France. Free Colour Brochure. Tel: 0484 682503 or write: Chez Nous, Freepost F.T., Huddersfield, HD7 1BR

65. **TOSCANA**



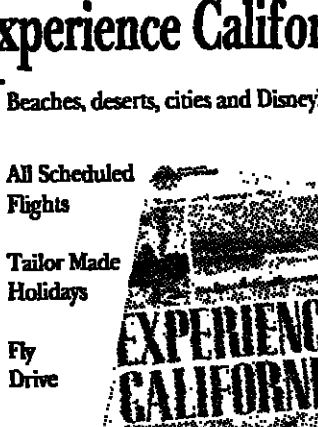
BRIDGEWATER TOSCANA Offers a wide choice of villas, Apartments, Castles and Farmhouses, throughout Tuscany, all selected by people who know and love the region well. Phone 061-834 6464 for our brochure.

66. **WORLDWIDE**



For the best range or simply the best holidays, just call for our Worldwide or World Class brochures on 0533 461000 and quote FTI (24 hours)

67. **Experience California**



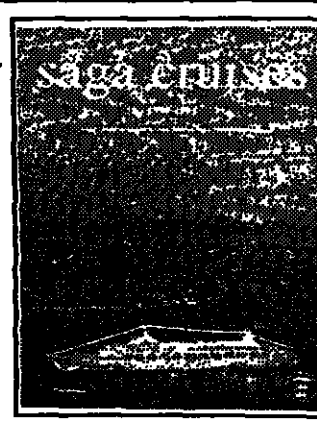
For a brochure ring 081-685 0344

68. **TRAVEL FAR EAST '91**




JAPAN TRAVEL BUREAU Experience the unique culture and traditions of Japan. JTB's brochure features an affordable range of escorted tour to Japan and the Far East. Telephone 071 836 9367.

69. **SAGA CRUISES**



Variety and value for the over 60s; all types of cruises in the Mediterranean, the Caribbean, Round the World and other exotic destinations, using leading cruise lines. Tel: 0800 300 456.

70. **CONTINENTAL VILLAS**




CONTINENTAL VILLAS are the oldest and most respected company dealing with luxury villas. Properties with their own private pools in the South of France, Spain, Portugal, Tuscany, Greece, Majorca, Ibiza. NOW ALSO AVAILABLE OUR NEW WEST INDIES-USA BROCHURE. Tel: 071 497 0444

71. **SALTWATER**



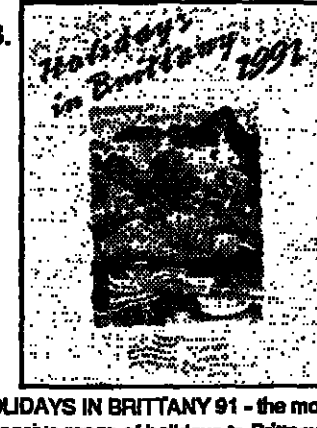
SALTWATER offers you a wealth of choice for your holiday in South Africa. We can arrange everything - from your flight with South African Airways to accommodation. Salt trip and a wide range of coach tours across Southern Africa. Everything you need from a single brochure. Nobody knows South Africa like we do.

72. **ITALIAN ESCAPADES**




Design your own holidays from the pick of Italy's cities, islands, beach resorts, lakes & mountains. Including villas in Tuscany, and touring. Any combination, any duration - 24 hr - 081 563 0379, res - 081 748 2661.

73. **HOLIDAYS IN BRITANNY '91**



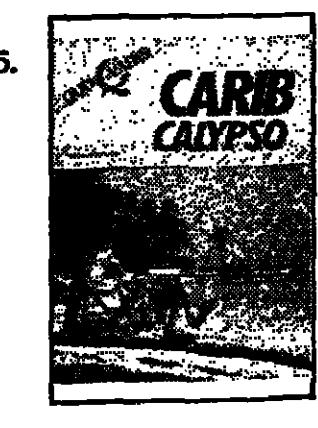
HOLIDAYS IN BRITANNY '91 - the most extensive range of holidays to Brittany by any ABTA tour operator. Villas, Gites, Hotels, Auberges, Touring and Golfing. BRITANNY DIRECT HOLIDAYS 362-364 SUTTON COMMON ROAD SUTTON SURREY SM5 9PL TEL: 081 641 6080

74. **FRANCE CLASSIQUE**



France classique programme offers you the best selection of good value holidays to France for 1991. From the Val de Loire to the Cote d'Azur, from the Dordogne to Biarritz as well as self-catering. Prices start from £79 per person self-catering, or £289 for 3 nights in a chateau or 7 nights in Cannes from £303. Phone the specialists Quo Vadis for a brochure 071-387 6122.

75. **CARIB CALYPSO**



CARIB CALYPSO is a NEW and exciting programme to the Caribbean - featuring St Lucia, Barbados and Grenadines. Select one or more for your 1991 holiday in the sun! We have included free sports, honeymoon specials and reductions for children. Prices start at \$475. So hurry and order your brochure today! Phone Quo Vadis on 071-387 6122

76. **WORLDSPAN**



Superb Programmes to Southern Africa, South America and Canada of inclusive tours, escorted tours and tailor-made holidays. For reservations + information + Telephone: 0492 532727 Fax: 0492 534848 Workspan International Plc, 51, Conway Road, Colwyn Bay, LL29 7AW

## TRAVEL BROCHURE GUIDE ORDER FORM

Please tick the appropriate boxes for the brochures you would like to receive, enter your own name and address and then send or fax this coupon to the address shown. Replies must be received no later than February 9th, 1991.

- |     |                                       |                          |
|-----|---------------------------------------|--------------------------|
| 1.  | Jetlife Holidays                      | <input type="checkbox"/> |
| 2.  | Bents Bikes                           | <input type="checkbox"/> |
| 3.  | Allez France                          | <input type="checkbox"/> |
| 4.  | Montpelier Travel                     | <input type="checkbox"/> |
| 5.  | Greaves Travel                        | <input type="checkbox"/> |
| 6.  | CHA                                   | <input type="checkbox"/> |
| 7.  | Caribbean Connection                  | <input type="checkbox"/> |
| 8.  | Maya Holidays                         | <input type="checkbox"/> |
| 9.  | Himalayan Kingdoms                    | <input type="checkbox"/> |
| 10. | Pride of Britain                      | <input type="checkbox"/> |
| 11. | De Vere Hotels                        | <input type="checkbox"/> |
| 12. | Meon Villas                           | <input type="checkbox"/> |
| 13. | Guernsey Tourist Board                | <input type="checkbox"/> |
| 14. | Southern Africa Travel                | <input type="checkbox"/> |
| 15. | Ashley Adams Australia                | <input type="checkbox"/> |
| 16. | Hong Kong Tourist Board               | <input type="checkbox"/> |
| 17. | Swan Hellenic - Arts, Treasures Tours | <input type="checkbox"/> |
| 18. | Susi Madron                           | <input type="checkbox"/> |
| 19. | Somak Travel Club                     | <input type="checkbox"/> |
| 20. | Grenadier Travel                      | <input type="checkbox"/> |
| 21. | Mundi Color Holidays                  | <input type="checkbox"/> |
| 22. | Okavango Tours                        | <input type="checkbox"/> |
| 23. | Hotels of Distinction                 | <input type="checkbox"/> |
| 24. | VFB                                   | <input type="checkbox"/> |
| 25. | Carefree Italy                        | <input type="checkbox"/> |
| 26. | Ecosafaris                            | <input type="checkbox"/> |
| 27. | Private Villas                        | <input type="checkbox"/> |
| 28. | French Country Cottages               | <input type="checkbox"/> |
| 29. | La Premiere                           | <input type="checkbox"/> |
| 30. | World Wine Tours                      | <input type="checkbox"/> |
| 31. | Travel Trading Company                | <input type="checkbox"/> |
| 32. | Explore Worldwide                     | <input type="checkbox"/> |
| 33. | Spice Island Cruises                  | <input type="checkbox"/> |
| 34. | Scandinavian Seaways                  | <input type="checkbox"/> |
| 35. | SFV Villas                            | <input type="checkbox"/> |
| 36. | CV Travel                             | <input type="checkbox"/> |
| 37. | Brittany Ferries                      | <input type="checkbox"/> |
| 38. | Austria & Vienna Travel               | <input type="checkbox"/> |
| 39. | Scandinavian Sea Way                  | <input type="checkbox"/> |
| 40. | Harrison Stanton & Haslam             | <input type="checkbox"/> |
| 41. | Marinair Yachts                       | <input type="checkbox"/> |
| 42. | French Expressions                    | <input type="checkbox"/> |
| 43. | Alternative Travel                    | <input type="checkbox"/> |
| 44. | Unicorn Tailor Made                   | <input type="checkbox"/> |
| 45. | Unicorn Character Hotels              | <input type="checkbox"/> |
| 46. | Edwards of Westminster                | <input type="checkbox"/> |
| 47. | Sunsail                               | <input type="checkbox"/> |
| 48. | Far East Discoveries                  | <input type="checkbox"/> |
| 49. | Moswin Tours                          | <input type="checkbox"/> |
| 50. | Canaland Holidays                     | <input type="checkbox"/> |
| 51. | Hann Overland                         | <input type="checkbox"/> |
| 52. | Kuoni Worldwide                       | <input type="checkbox"/> |
| 53. | Sherpa Expeditions                    | <input type="checkbox"/> |
| 54. | The World Of Thomas Cook              | <input type="checkbox"/> |
| 55. | Thomas Cook World Tour                | <input type="checkbox"/> |
| 56. | French Impressions                    | <input type="checkbox"/> |
| 57. | Cox & Kings                           | <input type="checkbox"/> |
| 58. | Soar Mills Cove Hotel                 | <input type="checkbox"/> |
| 59. | Eurocamp                              | <input type="checkbox"/> |
| 60. | Cayman Islands                        | <input type="checkbox"/> |
| 61. | Italy Sky Shuttle                     | <input type="checkbox"/> |
| 62. | French Selection                      | <input type="checkbox"/> |
| 63. | Historic House Hotels                 | <input type="checkbox"/> |
| 64. | Chez Nous                             | <input type="checkbox"/> |
| 65. | Bridgewater Toscana                   | <input type="checkbox"/> |
| 66. | British Airways Speedbird             | <input type="checkbox"/> |
| 67. | Experience California                 | <input type="checkbox"/> |
| 68. | Japan Travel Bureau                   | <input type="checkbox"/> |
| 69. | Saga Cruises                          | <input type="checkbox"/> |
| 70. | Continental Villas                    | <input type="checkbox"/> |
| 71. | Sar Travel                            | <input type="checkbox"/> |
| 72. | Italian Escapades                     | <input type="checkbox"/> |
| 73. | Brittany Direct                       | <input type="checkbox"/> |
| 74. | Quo Vadis France                      | <input type="checkbox"/> |
| 75. | Quo Vadis Caribbean                   | <input type="checkbox"/> |
| 76. | World Span International              | <input type="checkbox"/> |

NAME \_\_\_\_\_ ADDRESS \_\_\_\_\_

WEEKEND FT TRAVEL BROCHURE SERVICE  
(Ref 1/91), Capacity House, 2-6 Rothsay Street,  
London SE1 4UD. Fax No. 071-357 6065

مكنا من الناحية



**David Dodwell journeys night and day . . . to be a pilgrim**

organises walking holidays in Italy, Portugal, France and Spain, can be contacted at 1-3 George Street, Oxford OX1 2AZ.

ardess. The company is planning  
ous other tours, including an air  
round the Alps and a Moorish  
ed holiday in southern Europe and  
n Africa. Tel: 0428-607366.  
e National Trust has put 194 holiday  
ages into a brochure covering  
watering holidays in England, Wales  
northern Ireland; 26 are situated  
n Trust-owned gardens or parkland.  
0225-705676. For the National Trust for

# **Being totally overlooked has made us Europe's best.**

 **AOSTA VALLEY - ITALIA**

 **COMITATO ITALIANO  
ORGANISMO CONCAVE**

No other skiing region in Europe can match the natural advantages of Aosta Valley in North-West Italy.

Being surrounded by the towering peaks of Mont Blanc, Matterhorn, Gran Paradiso and Monte Rosa provides us with simply the best skiing conditions in Europe.

A myriad of runs stretch down into the valley. From those perfect for the absolute

merely waiting to be discovered.

The apres-ski too, has a true Italian spirit and style which you'll find nowhere else. (However, it won't spirit away most of your holiday cash!)

Call into your local travel agent for a longer look at skiing in Aosta Valley. We promise you'll never look back.

Brochures are also available direct on 071-





beginner, to others which will test even the most experienced.

No wonder that the Aosta region has been nominated for the 1998 Winter Olympic Games.

The choice of resorts is just as wide. Courmayeur, Breuil-Cervinia, La Thuille, Fila and the famous Monte Rosa ski name but a few. Some may be familiar to you, some

437 6420. Or write, c/o 185 Piccadilly, London W1V 9DA. Or to E.N.L.T., 1 Princes Street, London W1.






**Aosta Valley**  
ITALY

Mont Blanc

Gran Paradiso

Matterhorn


Monte Rosa



***"The best way to see a country  
is on foot"***

**TUSCANY** Walk across the Tuscan hills from Etruscan Volterra via San Gimignano, with its famous towers, to Medieval Siena. Nights at comfortable hotels in walled hill-top towns. Good food & wine. Luggage transported en route. £880.

Similar trips in France, Spain, Portugal.





**ALTERNATIVE  
TRAVEL GROUP**

*Brochure from NTA winners:*  
**Alternative Travel Group (STG)**  
 1-3 George St, Oxford OX1 2AZ

**0865-251195.**  
*(Subject to ATOL Member)*

## Villas and Hotels in Italy

We have selected for you villas and small hotels of quality and charm in the lovelier parts of Tuscany, Umbria & Sardinia.



**The  
Magic of  
Italy**

**081 741 1349** (24 hours)

Magic of Travel Ltd ASITA 42111 ATOL 1008



## TUSCANY

**-From Cottages to Castles-**

For the very best of Tuscany,  
Our new 1991 brochure offers a wide range of country inns, superb castles and country hotels.  
Nearly 100 pages of colour. Slip into it.  
Also Umbria. Ring now for your copy of our superb colour brochure.

**Tel: 0865 251195, Tuscany Holidays,  
351 Tisbury Road, Wootton Bassett, Wilt BA16 9JH**





## TRAVEL '91

# Foreign travel? I'm sick of it

Says Nicholas Woodsworth, who offers advice for healthy holidays

"IS FOREIGN travel worth it?" Normally my answer would be a firm and enthusiastic "yes". But if asked that question on a recent Thursday morning while lying prone on a gyration table at London's University College Hospital, my answer would have been a conclusive "no".

How could anyone clinging to that table with nothing but a paper gown around their upper regions and a rubber hose planted firmly in their lower regions answer otherwise?

Filling my lower intestine with barium and X-raying the results was only the last in a long series of attempts to find out what I had picked up somewhere between Namibia and Indonesia. So far I have been prodded and poked by half-a-dozen doctors, been discovered to harbour four varieties of intestinal parasite, and received eight antibiotic treatments.

Nonetheless, "upset tummy", that English euphemism for diarrhoea, continues to plague me. I have still to get, so to speak, to the bottom of the problem.

Most people on holiday in Asia, Africa or Latin America - and I am no exception - tend to do what pleases them. If king prawns the size of small bananas appear at a nearby table at your Thai beach resort restaurant, could you resist ordering them? If there were a few mosquitoes buzzing about on an unbearably hot and humid night in Delhi, would you change into long sleeves and trousers, socks and closed shoes to avoid being bitten? If, dare I say it, an extremely attractive Tahitian made certain advances to you, would you resist them with an iron will?

If the answers to any of these questions is "no", there is a chance that you could bring home with you a great

deal more than an upset tummy: dysentery, hepatitis, malaria and AIDS are only some of the consequences of these everyday holiday choices.

The only way to avoid the million and one health risks that accompany foreign travel is to stay at home. If we acted on every piece of advice issued by doctors when we travelled abroad, we would end up not drinking, eating or leaving our hotel rooms.

There is, of course, another and opposite simple truth - the vast majority of travellers to Third World destinations come home unscathed after perfectly enjoyable holidays. In conditions that offer less than perfect hygiene, it is possible to eat and drink well and do the things one has set out to do, whether it is crossing the Sahara or lying on a beach towel. The secret to travelling and staying healthy is elementary: find out what the risks are and take reasonable steps to avoid them.

"Travel means constantly balancing the health risks that activities involve against the pleasure or satisfaction they give," Dr Ron Behrens, consultant physician at the British Airways Travel Clinic, told me when I visited him at the renowned Hospital for Tropical Diseases in north London.

Dr Behrens is a travel health specialist who approaches questions from a pragmatist's rather than a theoretician's point of view. He believes that if the risks are low, and the traveller informed of how to best cope with them, they are worth taking. Otherwise, travel becomes impossible.

In practical terms, this means obtaining the best possible knowledge of one's destination prior to departure. Know the diseases present in the area you are going to, how likely you are to be exposed to them, the measures that can be taken

to limit exposure, and what should be done if you do come down with something.

Getting every vaccination possible is no guarantee of invulnerability. Dr Behrens says that only 5 per cent of travellers' health problems are vaccine-preventable. Even if you have been vaccinated, inoculation rarely offers complete protection. Cholera vaccines, for example, offer only 50 per cent protection.

Much more important is being prepared for the 95 per cent of problems that vaccinations do not cover. This means two things, says Dr Behrens: coming equipped with the right medications and materials, and altering daily living habits to minimise exposure to risks.

I asked him how he would apply these two maxims to diarrhoea and malaria, by far the two largest problems affecting travellers to the Third World. There is often little that can be done to prevent diarrhoea - fully half the foreign travellers to North Africa, for example, suffer from diarrhoea at one point or another.

Just about everything you eat can be contaminated with the bacteria that causes it, and in practical terms the things to be avoided - "street food", shellfish, dairy products, unpeeled fruits, raw vegetables and so on - are often difficult to avoid.

Water, however, is one source of contamination more easily controlled. Drink bottled water if it is available, and boil or sterilise water if it is not. Avoid ice in drinks. In some cases it may be advisable to take a water purifier with you.

Luckily, diarrhoea is rarely a serious complaint, and most people recover in two or three days. Dr Behrens advises plenty of rest, lots of liquids, and, if necessary, oral rehydration salts.

Malaria, affecting 2,500 holidaying Britons annually, is the traveller's second most common health hazard. It is also much more serious. Every year a number of deaths are registered in Britain after returning travellers fail to respond to warning chills or fevers.

Certainly drugs, often quinine-based, contribute to the

prevention of malaria, but in themselves are insufficient. In many parts of the world malaria-bearing mosquitoes have developed resistance to previously effective drugs. In East Africa, only 60 per cent of people taking malaria tablets are receiving effective protection.

"We now have to rediscover the anti-malaria methods the colonials discovered," says Dr Behrens. In addition to using insect sprays, skin repellents and electrical vapourisers, we must also return to the use of protective clothing after dark, live in screened rooms and sleep under mosquito nets. The only sure way to avoid malaria is to avoid being bitten.

Other major health hazards for travellers, in order of descending magnitude, are respiratory tract infections, the parasite giardia, amoebic dysentery, and hepatitis A and B. But Dr Behrens cites the AIDS virus as one of today's most potent threats to travellers.

"There is an enormous misunderstanding among the travelling public," he says. "Many believe the chances of being infected overseas are the same

as those of being infected in Britain." He points out that in central Africa one in five women are infected with the virus, while in Kenya 90 per cent of all prostitutes are sero-positive. He also points to irrational behaviour induced by alcohol. "After a few drinks, some people go right ahead, even when they know the AIDS risks they are running."

If you are unsure and want to know the health risks you are running by travelling to some far-flung corner of the world, get in touch with a specialist; your GP does not usually have the kind of knowledge necessary.

Reliable sources of information are the 26 British Airways travel clinics scattered throughout the UK. You might begin by telephoning the Hospital for Tropical Diseases health line (tel: 0898-345-081) which features a marvellous voice-responsive computer that will give you current health information on any of 61 countries. In London, the BA travel clinic at the Hospital for Tropical Diseases can be reached on 071-388-9600.

## TRAVEL BUSINESS

## Holidaymakers look to the US

NEXT WEEK could be critical for the British travel industry. After the surge of interest in holiday bookings shown immediately after Christmas and the New Year - when many travel agents offered special price discounts - the trade is waiting to see whether this interest will be sustained.

"It's an important week for us," says Thomas Cook, one of the largest chains of travel agents. "A lot of people have been reading the brochures and comparing offers before deciding to book. Next week will see if they actually translate their interest into firm bookings."

If it was just the recession and high interest rates that were holding back bookings, then the travel industry would probably not be too depressed, but, like many other sectors dependent on consumer confidence, the Gulf crisis is the major uncertainty. Michael Myers, marketing director of Italian tour specialist Cititalia, says: "People are holding back because they are worried about what might happen."

Cititalia's bookings have been quite buoyant this winter but summer months until the Gulf crisis is resolved.

Bookings for the main package holiday operators to the Mediterranean are running between 10 and 20 per cent down in volume compared with this time last year, itself a poor period for the travel trade.

However, some individual destinations are bucking the trend. Crete, for example, has bookings ahead of last year, as has Sardinia and Sorrento in Italy.

But what is already clear about 1991 is that holidaymakers are voting with their feet while demand for short-haul destinations is down, long-haul is doing better than ever. The uncertainty in the Gulf means that holidaymakers are increasingly looking to the US.

Florida is doing well, helped by dollar weakness and aggressive marketing from tour operators. Trade estimates put the level of

Florida bookings this year up by 80 per cent on the same time last year.

Many Britons, however, are preparing to venture further in the US. Apart from a growth in bookings to the west coast - San Diego, Los Angeles and San Francisco - the fastest-growing destination is New Orleans in Louisiana. America apart, Africa is the long-haul destination most in demand, with Gambia and Kenya the two most popular holiday spots.

WOULD YOU recommend the tour operator you last used to a friend? *Holiday Which?* magazine, published by the Consumers' Association, asked this of nearly 13,000 of its readers who had taken a package holiday over the previous year.

Top of the poll of 44 travel companies was French specialist VFB Holidays of Cheltenham, Gloucestershire, bottom was Airtours, the fourth largest UK tour operator. Thomson Holidays, the largest UK tour company, came 19th in the league table.

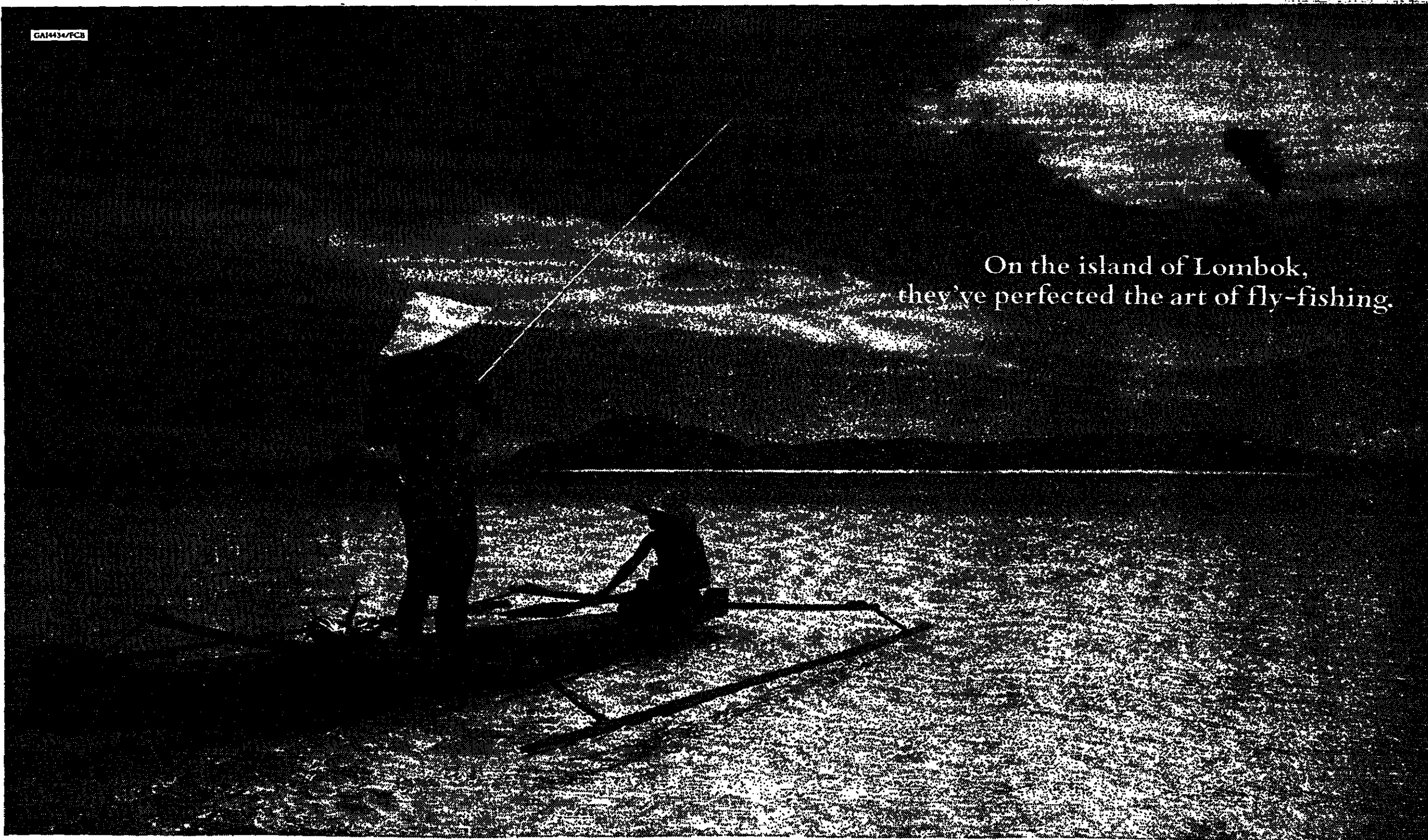
Airtours came bottom in three of the five categories on which the companies were measured - accommodation, brochures, and the quality of its representatives. The company feels unjustly pilloried since the sample only included 279 respondents who had taken an Airtours holiday.

VFB and the Travel Club of Uppminster, the runner-up, are direct-sell tour operators which cannot be booked through travel agents.

ATTO has just published a directory of these specialists, available free from ATTO, PO Box 188, Isleworth, Middlesex, TW7 7BA.

Our *Living on Less* travel article last week gave the wrong telephone number for Winterland ski holidays in Switzerland. It should have been (Newbury) 0635-30621. The article on UK country breaks published on December 22 was written by Angela Wigglesworth, not Denise Heywood.

David Churchill



On this peaceful tropical island, just 30 kilometres from Bali, the local fishermen have developed a unique way of casting out their lines.

To clear the coral reef just off the beach, they make a kite from a large, dried leaf and a pair of sticks.

They then attach their baited hooks and fly them over the reef to catch the big fish on the far side.

Lombok is just one of the 13,667 fascinating islands that make up the Indonesian archipelago. Each one with a charm of its own.

On nearby Java, for example, you can visit the Borobudur temple, a huge stone building that has been described as the eighth wonder of the world.

Or experience the seething vitality of Jakarta, perhaps the world's last undiscovered city.

For more information about our flights please phone Garuda Indonesia in London (071) 486 3011 or Manchester (061) 832 6384.

**Garuda Indonesia**  
Proud to welcome you aboard.

A member of the Garuda Indonesia Group.

مركز المنهج



## PERSPECTIVES

## Back to School

## From Sussex to the halls of Montezuma

Scholarship girl Emma Tucker revisits New Mexico and recalls her international education

**S**HORTLY AFTER first arriving in New Mexico in August 1983, I walked to the post office with a homesick letter for my parents in England. As I neared the building, a black Cadillac drew up beside me.

An opaque window hummed open. "Are you from the college?" asked a voice. "Yes," I replied. "Are you a socialist?"

The question was not entirely unexpected. Everything about my sixth form college, its name – the Armand Hammer United World College of the Americas West – its location – virtual isolation in northern New Mexico at the end of the now near-defunct Santa Fe railway trail – its student body – a global mix that included Russians, Chinese, Hungarians and Bulgarians – often led to misunderstanding, not least with the locals.

Funding a school devoted to peace and international understanding was one of the lesser-known pursuits of Armand Hammer, the first president of Occidental Petroleum, who died in December. The college is one of seven United World Colleges, the first of which, Atlantic College, in Wales, was opened in the 60s. Originally founded by a group of individuals including Kurt Hahn, of Gordonstoun fame, the principal aim of these colleges was to "promote international understanding through education".

At the age of 16 I won a scholarship to go to New Mexico after taking O levels at my comprehensive in Lewes, Sussex. My education was paid for by a New York couple who donated three scholarships to the movement. I never met them, but wrote to say thank you at the beginning of each term.

The Armand Hammer United World College opened in 1982, after Prince Charles, president of the international council of the United World Colleges, approached Hammer for funding. Hammer came up with several million dollars and set up a foundation to pay for most of the running costs.

As a site for the new college, he picked an empty hotel in Montezuma, New Mexico. The "castle", as we called it, was once the destination of railway travellers attracted by the nearby thermal springs that are now part of the college campus. The turrets of this red-brick, neo-gothic building still stand out on the pine-covered slopes of the Rocky Mountains at 6,700ft. For most of the year it stood empty, opened only for Hammer's yearly visits when trustees from Los Angeles would land on the soccer pitch in their helicopters.

Every year since the college's opening 200 students from about 70 countries have travelled to Montezuma, which consists of a post-office and the college. Montezuma is about three miles from Las Vegas, New Mexico.

Unlike its Nevada counterpart, New Mexico's Las Vegas is a relatively poor town with a mainly Hispanic population of 18,000. The outskirts are a muddle of mobile homes, beaten-up Chevys, stray dogs and donut shops. The area is an odd introduction to the US. It has none of the glamour of the West Coast, nor the sophistication of the East and, when I returned recently, I felt no less alien than I had done initially at the age of 16.

However, as a mere visitor this second time, I did not face the many pressures that confront new students: the international baccalaureate, taken by all students at the end of the two years, made enormous demands on us. But the effort paid off – the broad scope of the IB was widely respected and did me no harm when it came to applying for universities in Britain. At the same time we faced setting in with a foreign room-mate, and Kurt Hahn's legacy of compulsory outward bound activities.

I had also forgotten the immense energy that 200 16 to 18-year-olds can produce. The campus was still a frantic combination of study, sport, do-gooding and gossip. At 16 this had seemed intoxicating; seven years later it proved pretty tiring.

To escape I spent an afternoon in the pungent waters of the hot springs, chatting to three students from Colombia, North America and Israel.

They spoke of the problem of drugs on campus, where to put the smoking room, and the Gulf Crisis. The conversation sounded familiar: campus life had always revolved around the grandiose and the mundane.

I was pleased to hear that some of the battles we had fought had since been won. The college, wary of litigious US parents (the college takes 50 North American students), had strict rules when I was there. A dormitory curfew of 10.30 pm was supposed to protect us from inmates of the nearby state mental hospital – and to protect students from "non-western" cultures from the bedroom excesses of "western" students. In return, staff more or less turned a blind eye to trips up the nature trail with sleeping bags booked out from the camping equipment room.

State law also prohibited alcohol for the under 21s, which led to illegal drinking on a scale I have not since witnessed. In my year a Zambian student, in possession of false ID, established a vigorous black market.

This law also meant that on grand occasions like graduation a bright pink "fruit punch" would be served. These celebrations would be graced by the presence of Hammer and his coteries. I took his name twice and heard the "When I met Lenin" speech three times during my two years. He came over as a pleasant enough man,

but with typical adolescent cruelty we mocked his habit of dropping names and referring to visits to "Buckingham Palace, London, England." But when he died I was genuinely sad – after all, without him, none of us would have had the two years in New Mexico.

The purpose of my return visit was to deliver a talk on Thatcherism as part of the college's World Affairs programme. By the time my week-long trip was over, I felt revitalised by the enthusiasm of the UWC. But I was also relieved not to have the greatest trauma of all looming over me – the grand, end-of-year farewell when devoted friends of two years would leave for different parts of the globe.

Indeed, my departure this time was far quieter than when I left in 1985. Then the tears and hugs reached fever pitch by the time the first students left for Albuquerque airport; indeed, one Brazilian boy cried so much he had to be carried to the bus by two teachers. This time, I scurried off quietly after a mere seven days of hectic international understanding...

Anyone interested in finding out more about the United World Colleges should contact Richard Taylor, International Development Director, UWCs, London House, Macclesfield Square, London, WC1N 2AE.



Emma Tucker: her school was devoted to peace and understanding

## Motoring

## Running out of road

**T**HIS IS going to be a record year for new models. At all levels there will be an embarrassment of choice. Whether potential buyers, personal or corporate, will have the funds to translate desire into the reality of ownership is another matter.

The industry and trade, licking the wounds sustained in the closing months of the old year, hope they will. Realistically, makers and distributors alike know things are going to get worse before they get better.

Through the Society of Motor Manufacturers and Traders, they are urging Norman Lamont, the Chancellor, to lower interest rates. They see the high cost of borrowing as the main reason for the decline of about 12 per cent in car sales in Britain last year.

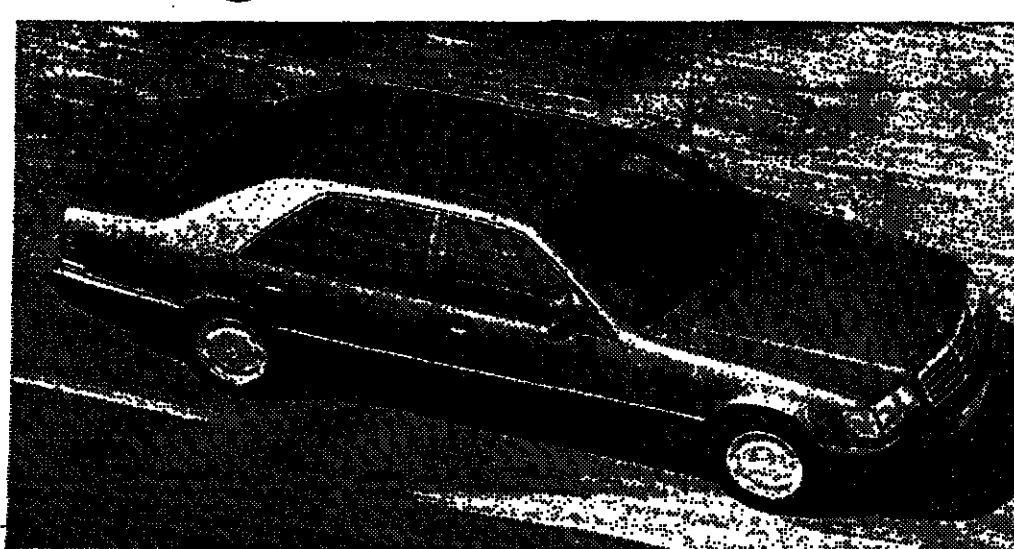
The SMMT reported a healthy 12 per cent rise in British vehicle exports last year, and a 1 per cent decline in imports, which cut £10m off the automotive trade deficit. In the SMMT's view, export success depends on a thriving home market.

Hence its appeal to the Chancellor to make car buying easier by lowering interest rates and doing away with the 10 per cent special car tax. If he listens (which I doubt) the car population will continue its inexorable rise. Traffic congestion will worsen. Conditions in the run-up to Christmas which made the use of a car almost impossible – a constant queue at times – in many town centres will become the norm.

Sooner or later government will have to decide how many vehicles this country's road system can support and take steps to stabilise the car population. Increasing the rate at which clapped-out old cars are scrapped, by toughening and picking the annual test properly, would be a good start.

But that is for the future, when government again feels strong enough to take action it knows to be necessary, but politically unpopular.

Turning to more pleasant topics, the Renault Clio, which replaced the Renault 5 and was voted European Car of the Year 1991, arrives here in March. The runner-up, Nissan's Primera, should be more freely available by then. It all depends on a resolution of the complicated differences between Nissan UK (the independent distributor which sells it), Nissan Motor Manufacturing UK (which makes it) and Nissan Motor of Japan (which sells the NMMUK strings).



The styling is certainly sleeker and the glass area is bigger but the new S-Class is still unmistakably a top-line Mercedes-Benz

Primera is an excellent car. I put it at the top of its class for refinement, build quality and sheer driving enjoyment, whether it is the 1.6 litre entry model or the sporty, high performing 2-litre.

Some feel that if the voting for Car of the Year had been less nationalistic – and in a few instances less obviously perverse – Primera would have won.

Most of the cars now leaving the Washington, Tyne and Wear, factory are left-hand drive export models. That is

comes only as a 4-door saloon though other body styles will follow. Since 1986 BMW has made 4.5m 3-Series cars and for years the model has accounted for half BMW's sales in Britain. The new one, which goes on sale here in March, could well attract 5-Series buyers forced by economic pressure and quite possibly by environmentally influenced fiscal changes – to trade down to a smaller car.

They are unlikely to be disappointed. The new 3-Series, which is – inevitably, I sup-

pose – a little bigger all round than the car it replaces, is more like a scaled-down 5-Series. Its aerodynamics are better than before; it has a new rear suspension developed from that of the Z1 roadster; and among transmission options with 6-cylinder engines is a 5-speed automatic.

A 5-speed automatic will also be a feature of the new Mercedes S-Class which is to be unveiled at the Geneva Show in March. All versions of this successor to the car which still sets the standard among luxury executive-class saloons will have multi-valve engines.

Other S-Class innovations will include power-assistance for door closing – something the tailgates of Mercedes estate cars have had for several years – and double glazing.

At first, the engines will be in-line sizes and V6s but a V12

**Sooner or later government will have to decide how many cars UK roads can support, says Stuart Marshall**

because Nissan Motor will not let the factory supply Primers to Nissan UK at prices which its chairman, Octav Botnar, says will allow them to compete effectively with Ford Sierra, Vauxhall Cavaliers and Peugeot 406s.

What Nissan UK finds particularly galling is that British-made Primers are selling in countries like Germany (where Nissan Motor has its own distribution network) at up to £2,000 below UK list prices.

Nissan Motor has told Nissan UK it will be ending the agreement under which Botnar's company has in the last 21 years sold almost 2m Datsun and Nissan cars in Britain. Legal battle has been joined. All one can say with certainty is that much fun will fly before the outcome is known.

BMW has already unveiled its latest 3-Series. At present it

will be added in mid-year. Mercedes says the new S-Class cars will have exceptionally low exhaust emissions.

Just before the Mercedes S-Class makes its debut, Nissan will launch the successor to the Sunny range of small/medium family cars. Four different versions – a 4-door saloon, 5-door estate, a hatchback with three or five doors and a pretty 2-door coupe – will appear simultaneously.

The entry models will have 1.5 litre, 79 horsepower engines but all of the new range – probably to be named Pulsar rather than Sunny – will be available with a 110 horsepower, 1.6 litre unit. For higher performance there will, it is said, be a 140 horsepower 1.8 litre and for ultra-economy a 1.7 litre diesel. The new Pulsars will be slightly up-market of the current Sunny models and prices are bound to be higher. Citroen's new ZX, which fills the gap between the supermini AX and the medium sized BX, will be launched in France any day and is due in Britain in late summer.

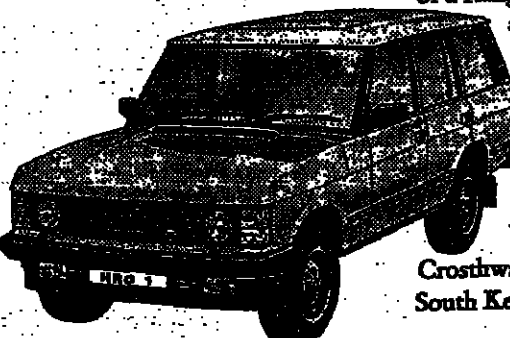
Citroen has ambitions to take five per cent of the British market against 3.05 per cent at present. So it seems certain that ZX will be priced very competitively and that several diesel versions will be on offer.

Citroen is the UK diesel market leader with the BX. A Citroen XM estate car will appear, probably at Frankfurt Show in September, to give Volvo, Mercedes and Vauxhall a long overdue run for their money in a segment Volvo in particular has made almost its own. Lancia's big Thema station wagon is due here in the Spring, as is the Fiat Tempra estate. A Ford Escort estate with Sierra-style four-wheel drive is promised for mid-year.

Late in the year Peugeot is expected to introduce a new small car, which will make use of some Citroen AX components, and a Vauxhall Astra replacement may also appear. By this time some of Ford's new Escort models may be powered by the multi-valve engines they were expected to have at their launch last autumn.

## AT £116 H.R. OWEN HAVE PUT A NEW LEASE OF LIFE INTO OWNING A RANGE ROVER.

Now you can own a Range Rover Vogue Automatic for as little as £116.14 a week or a Range Rover Vogue SE from £138.04 a week, available now through H.R. Owen's Special Finance Portfolio. If you would like further details on H.R. Owen's Range Rover Finance, call Bruce Farrow on 081 998 7691 at H.R. Owen, Western Avenue or Richard Crosthwaite on 071 584 8451 at H.R. Owen, South Kensington.



**H.R. OWEN**  
Tradition of Excellence

## CLASSIC CAR LEASING LTD

DRIVE YOUR DREAM CAR WITHOUT THE HASSLE OF OWNING AND MAINTAINING IT?

ANYTHING FROM A FERRARI TO A MORRIS MINOR

YOU PICK THE CAR - WE SUPPLY IT

WE TAKE CARE OF INSURANCE AND MAINTENANCE. ALL YOU HAVE TO DO IS TO DRIVE IT.

LEASING CLASSIC CARS IS 100% TAX DEDUCTIBLE

PHONE US FOR A QUOTE ON (081) 464 4604

## Gardening

## Scholarly work bears fruit

Take advantage of new horizons, urges Robin Lane Fox

It is not just a list of 5,500 gardens, past and present: it is also a guide to works of art, literature and local history. Desmond based part of it on antique prints, the wide range of famous engravings by Kip (the Kip's views), hundreds of entries in architectural books from 1700 to 1800, country histories and even the designs on 952 pieces of Wedgwood dinner service, painted with English country seats, for the Empress Catherine of Russia.

If you ever want to write or study anything about a local historic garden or any place mentioned in literature, this labour of love is the point from which you must start. It opens up vistas as long as any in the Anglo-French style of gardens in the 1700s: I wait keenly to see what uses others will make of them.

Fortunately, others disagree. Since the early 1970s garden history has grown mightily both here and in the US: we have new journals, a Garden History Society and, since 1984, a thorough guide to the territory. Ray Desmond, the former chief librarian at Kew, compiled an exceptional bibliography of British gardens: a second edition appeared in 1988 from St Paul's Bibliographies, 1 Step Terrace, Winchester, Hants, SO22 5BW.

When I first heard of a plan to list every garden variety of plant on sale in Britain, I thought that this one-man folly would outpace any author. Fortunately, I was wrong again. Chris Philip's *Plant Finder* is now in a new edition: it lists no less than 45,000 plants and where to buy them; it has been better than any other book of its kind, the passport for serious nursery-hunting and a godsend to those of us who were starting to lose track of plain

old favourites, such as lemon-yellow *Anthriscus Wargravei*, let alone such mainstays of dry summers as the best forms of *Erodium* or the wild *Oenothera Taurica*.

When life's going gets tough, or the weather is beastly, I take to my bed, bath or lavatory with the *Plant Finder* and drift away into "far other worlds and other seas". It may be too good a book for your local bookshop, but you can order it for £9.99 plus postage from Moorland Publishing, Moor Farm Road, Airedale Estate, Ashbourne, Derbyshire. The entry on Gentians alone is worth the price.

Behind it lies the momentum of the new plant conservation groups. Once again, I doubted if their aspirations would ever come to anything serious. In 1978, the Royal Horticultural Society held a conference to consider how to stop many garden plants from disappearing from cultivation. The task seemed almost impossible, but it was taken on by an amateur grouping which called itself the National Council for the Conservation of Plants and Gardens.

Since 1982 it has shown up pest-pollinators like myself. More than 500 collections of particular families of plants have sprung up in private hands. NCCPG plant sales attract avid

gardeners, keen to bid for bits of a forgotten rarity; colleagues and social contacts have multiplied: two friends have even found themselves specimens of that disappearing breed, a wife.

In 1991, the results of this amateur upsurge stand out in the National Plant Collection Directory. It costs £2 (including postage) from the NCCPG Secretary, The Pines, Wisley Gardens, Woking, Surrey. It is a marvellous companion for drivers and travellers wherever the road leads them.

All over Britain there are local collections of a particular family of plant: dahlias, delphiniums, and dandelions have been grouped up in Leeds; juncos are in safe hands near a power station in Staffordshire; 33 types of red and orange *Crocus* can be inspected at Newport on the Isle of Wight. The directory lists opening times and is particularly valuable for its advertisers. Many of the most plant-wise nurseries have taken space, giving a rapid guide to the best in the British trade.

You see, I hope, what a vista lies before us. If you want to track down a garden, old or new, you only have to look up the bibliography; if you want to take a punt on an unfamiliar plant, the *Finder* will tell you where to buy it; if you want a nursery with any particular speciality, the *Finder* lists hundreds of them too, in all their human and botanical diversity.

If you do not like puns, wish to look before you leap, you can turn to the directory, visit a national collection and back your judgment as to which of a plant's forms are the best and too seldom grown. The information has never been better and now it is up to us: it is time that this new mass of knowledge made a mark on our gardens in the next decade.

## Bringing light to the darkness

A COMMON problem is how to make completely attractive enclosed courtyards and other places that get no direct sunshine though they are open to the sky. In fact, no difficulty has been found in finding foliage plants for such places though flowers may need to be brought in on a seasonal basis in pots or other containers or even largely dispensed with, variegated leaf plants being used to give a range of colours other than green.

For example, all hollies that will grow in quite dense shade and there are plenty of varieties, such as Golden King, Golden Milkboon, Silver Milkboon, Golden Queen, Silver Queen and Golden van Thol, to give colour indicated by their names. None of these hollies is fussy about soil and all can be pruned or clipped more or less one likes to fit them to the space that is available.

Common box, *Buxus sempervirens*, is also happy in shade and will probably stand more clipping than any other shrub. It does not offer the same variety of leaf variegation as holly and the colour of so-called golden box is better in good

light than in shade but there is a very attractive variety, appropriately named *Elaeagnus*, which has little pointed leaves, green in the centre but edged with cream, which makes a dense and shapely bush. It is my favourite box and is quite easy to buy.

Few shrubs are better able to cope with dense shade than *Salicifolia*, but the leaf variegations that occur in numerous varieties tend to be speckled or blotchy and are not to everyone's liking. One of the best is called *Crotonaefolia* which has a broad shiny green leaf variegated with cream and blotched with yellow and certainly capable of lighting up a dark place. I grow it and another, named *Salicifolia*, which has much narrower, dark green leaves and lighter green stems. *Aucubas* can also produce fine red berries but, like hollies, some plants are male, some female, and both sexes must be grown for berries to appear. Unfortunately, I find it much more difficult to get reliable information about this. Everyone seems to agree that *Salicifolia* is female but some say that *Crotonaefolia* is male and others that it is female. Certainly, neither of my bushes has ever had berries and so I suspect that I have no male. Apart from this uncertainty, *Aucubas* have all the virtues: ease of cultivation, fairly rapid growth and a readiness to put up with almost any degree of pruning, best done in May.

The laustrinus, *Viburnum tinus*, is another easily-grown evergreen shrub and one which produces its flat clusters of red buds in the autumn and opens them to white or pink tinted flowers some time in winter or early spring.



There is also a variety with leaves blotched with light red. It is almost as easy to grow as the common green leaved kind but not quite as tolerant of dense shade.

A lower-growing and more compact relation is called *Viburnum davidii* which has stouter, more deeply-veined leaves, flowers that are not so clear white but produce berries that are larger and bluer. Here again, there can be pollination difficulties but not quite of the same straight-forward male and female plant kind that afflicts the hollies and *Aucubas*. But it is undoubtedly wise to plant several bushes fairly close together to ensure that there is cross-fertilisation.

Some of the best evergreen variegation of all is to be found in certain varieties of *Elaeagnus*, most notably *Elaeagnus pungens maculata*, which has a large golden blotch in the centre of each shining green leaf and in a garden hybrid named *Gilt Edge*, in which the effect is reversed, with the centre of the leaf green surrounded by a band of yellow. Both are stocked by most tree and shrub nurseries and garden centres. *Ivies* will grow in the densest

shade and can be used to cover walls or to carpet the ground or cover almost anything else. There are numerous varieties with variegated leaves, some of which, such as *Buttercup*, are all yellow, others, such as *Gold Heart*, and the very large *Dentata Variegata*, a mixture of green and cream and one, named *Tricolor*, a blend of grey-green, white and pink.

However, many people do not like ivy, believing that it damages buildings and trees and gets under tiles and into water gutters. There is a way out of this. When ivy reaches the top of whatever it is climbing it starts to branch out and produce clusters of small, greenish yellow flowers followed by blackberries. Once this happens that particular growth never climbs again but forms a bush and any cuttings taken from it and rooted will also make bushes with no tendency to climb.

Finally, there is the possibility of growing camellias in shady places, probably the most beautiful of all the flowering plants that will succeed without any sun, although the number of flowers produced is likely to be fewer than with more light. Those hybrid varieties, classed collectively as *Camellia williamsii*, are the most likely to do really well and varieties, such as *Donation*, with big double pink flowers, and *J.C. Williams*, with single pink flowers, are especially reliable, but the list of fine camellias goes longer by the year and both nurseries and garden centres usually maintain excellent stocks in containers.

Arthur Hellyer

مكاتب الأصيل



## BOOKS

## Last voyage of Bolívar the Liberator

Not even Conrad has described a journey more memorably, says Anthony Curtis

THE GAP between legend and reality is a recurring theme in the work of the Latin American novelist Gabriel García Márquez, awarded the Nobel Prize for literature in 1982. His early training, after he graduated from the National University in Bogotá, was in journalism. His first scoop, which created a sensation in Colombia when it was published in the journal *El Espectador*, was the story of a shipwrecked sailor. Márquez interviewed the sole survivor of a disaster at sea, Luis Alejandro Velasco, and at his invitation published an account of the shipwreck significantly different from the official version. Latin America is a region where official versions of events differ even more widely from the private accounts of people involved, than in other parts of the world.

In 1986 Márquez revealed that the investigative journalist was still very much alive within the acclaimed maestro of magical realism. He spent a long time with the Chilean film director Miguel Littín who had returned in disguise to his country in defiance of a strict ban on his re-entry to make a film of what life was like under Pinochet. "I realised," wrote Márquez, "that behind his film there was another film that would probably never be made." To capture this hidden scenario Márquez taped 18 hours of interviews with the film director and published an absorbing account, as if by Littín himself, under the title *Clandestine in Chile*. The Chilean authorities impounded and burned the book, but it was published here translated by

Aza Zatz, from Granta Books in association with Penguin. No-one knows better than Márquez that when you explode one legend you only uncover another. That was brilliantly demonstrated in his most successful short novel, *Chronicle of a Death Foretold* (available along with most of Márquez in Picador paperback) where the re-investigation of a murder in a small seaborne Colombian town (typical of Márquez-land) leads the hypnotised reader through a closely interlocked set of local events. The narrator, as is common in Márquez's fiction, possesses the wisdom of hindsight. What appeared to be a murder to avenge a sexual crime turns out to be a ritual killing of a



Gabriel García Márquez: maestro of magical realism

## THE GENERAL IN HIS LABYRINTH

by Gabriel García Márquez

Jonathan Cape £13.99 285 pages

member of the Arab minority in which nearly everyone was implicated. In what is by common consent Márquez's major novel, *One Hundred Years of Solitude*, we observe the legend-forming process over three or four generations. It starts with the founding father and founding mother all of whose offspring are destined either for disaster or for heroism or for both. The novel's vast canvas was filled

with marvellously realised detail.

Márquez's prose recreated – even through the medium of translation – that steamy, jungly region, bounded first by an imprisoning range of mountains beyond which lies the Caribbean Sea. The book swept the reader along relentlessly and made him believe he was undergoing not an imaginary journey but a real one.

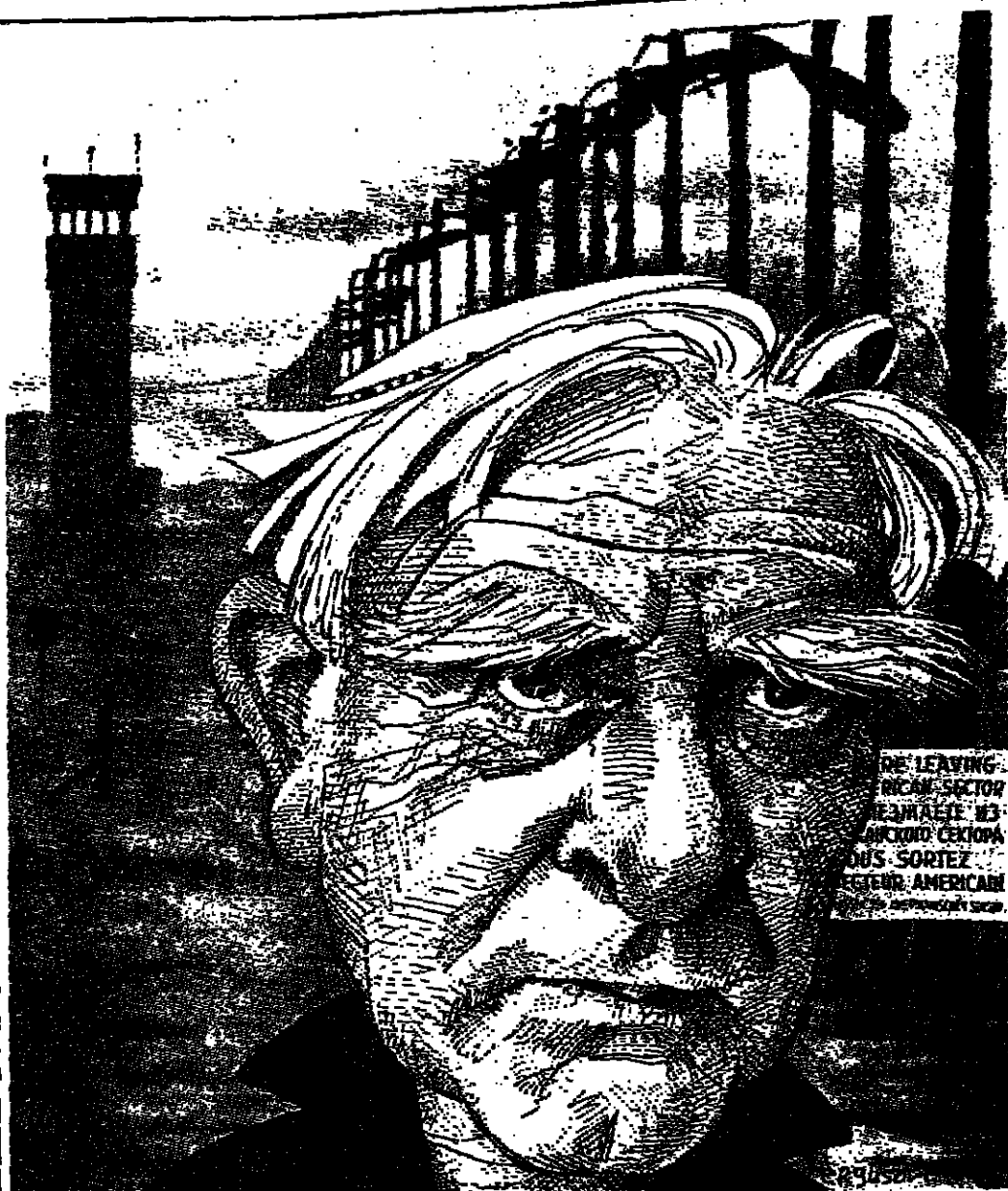
With Márquez's latest novel, *The General in his Labyrinth*, translated from the Spanish by Edith Grossman, we are back in this region at a point in the 19th century when the hot erupted lava of legend is cooling and solidifying into history. The Spanish-South American War of Independence has been won and is already receding in the mind as a golden age. Simón Bolívar's dream of a Confederation of Great Colombia (comprising Venezuela, Colombia, Ecuador and Panama) has been shattered. The Confederation is breaking up into separate bitterly divided nations and a prolonged power-struggle has begun.

In 1830, Bolívar the Liberator at the moment when Márquez engages with him in this exquisitely well-written book, has resigned the Presidency and is lying meditating "in the purifying waters of his bath" in his palace in Santa Fe de Bogotá. He says to his servant José Palacios, the other major character in the novel, "Let's go... as fast as we can. No one loves us here". The remainder of the book traces his last journey, accompanied by a small band of military officers still faithful to him, down the Magdalena river to reach at length the coast in the north where he

plans to embark for Europe, the source of his inspiration and radicalism. It is the Last Leader syndrome yet again. Could Bolívar even now be persuaded to return to continue the fight?

In the event, it is neither Europe nor the resumption of power that awaits him but death, at the end of the journey. Márquez penetrates the mind of Bolívar as he pauses at the various stations in his voyage, as he does with such vivid, humane authenticity that the reader can never be sure whether what he is reading is fiction or documented history. The past is continually present to Bolívar as he goes further and further down river. Not even Conrad has described this kind of journey more memorably. Recollections of his innumerable mistresses and one-night stands pass through Bolívar's mind, and even now he is capable of further amorous conquests as his strength ebbs and flows. He tries to keep abreast of political events and to confer with his former comrades who have news for him of the machinations of friends turned enemies.

The sense of betrayal – the loyal exceptions are his servant and his long-term mistress – engulfs him; above all the sense of his heroic destiny crumbling into disability and disillusion. Yet he remains alert and responsible, rewarding those who have retained his trust, as he prepares for the end. This is a book to lift the reader out of his or her parochialism. We are made aware of the sad realities of relinquishing power in a revolutionary era.



## Deception recollected in tranquillity

John le Carré has been successfully hoodwinking his readers for 30 years, says Anthony Verrier

ONE OF the more reassuring indications of the continuities of English life, even in this far from belle époque, is a Sloane Ranger, Hermes scarf tied firmly across the chin, emerging from Lambeth North Underground. Melissa is on her way to Century House, Headquarters of the Secret Intelligence Service – the Office or the Firm to the initiated.

Melissa dislikes working south of the river but takes comfort from the fact that the Queen is being loyally served. Within Century House, an office block of stupefying anonymity, slightly grey men who could well be actors or local government officials busy themselves with signals and files. Melissa copes womanfully with her word processor: until quite recently the typewriter's ping was her call-sign, but the technological spring came late to Century House and only in 1974, beyond the Conservative citadel of Cheltenham, does the computer reign unchallenged.

These apparently trivial observations are prompted unbidden by reading John le Carré's latest offering on the altar of illusion, *The Secret Pilgrim*, and in considering his oeuvre 30 years exactly of an individual and enormously successful achievement in hoodwinking readers far and wide about intelligence acquisition and operations in general and the British version of them in particular. *The Secret Pilgrim* is, as it were, deception (and treachery) recollected in tranquillity. George Smiley, the cuckolded anti-hero of le Carré's first and best novel (*Call for the Dead*, 1961), and the recurring, loyal, lonely defender of seemingly outmoded values thereafter, is guest of honour at a dinner for new members of the Office. The occasion is one wherein to reminisce, and Smiley acts the chorus in persuading narrator "Ned" to do just that.

After opening pages of odd jokiness – and the astonishing assertion that recruiting women as officers is an innovation – le Carré gets Ned to recount an increasingly improbable career to a wholly implausible audience. Cheap sexual thrills alternate with unwinning, or planned, errors of fact. "Ned" travels the world as a kind of reflective, disillusioned James Bond.

This stuff would be acceptable, up to a point, as Smiley rechauffe. But this late work does provoke an important question: why has le Carré so consistently, indeed repetitiously, projected a picture of intelligence activities which, although often pointless and

sometimes destructive – as even the most committed practitioner of them would accept – were not, and are not, conducted either in the context or the atmosphere which the reader is asked to believe.

Le Carré's world, derived from Conrad and Greene with Dostoevsky just sensed in the shadows, is one of dingy men and despairing women, betraying each other for no discernible motive and rarely identifiable gain. This is an illusory world and le Carré knows it is so. It has to be said that reading le Carré and believing in the values of his characters can seriously damage your understanding of how intelligence operations actually relate to the real world of governments in enmity or alliance with each other.

It has to be added that le Carré's world compels attention. Detail provides a kind of dream-like verisimilitude. We

does actually exist – and is all at sea when describing agent running in the Baltic. It is, as a Dornford Yates character might say, most rum.

If le Carré is to be considered as a serious writer – and deceit and betrayal as central to the human condition have a long and interesting literary descent – we have to ask ourselves why this particular confidence trick has been worked so consistently. We must accept le Carré's admission of a tormented childhood and youth; and it has to be said that the sense of deceit and betrayal thereby implanted can hardly have been diminished by the five years which he spent in SIS. The "thorns" from which SIS suffers through Philby's and others' treachery, had been largely overcome by Dick White's advent as C in 1956, but George Blake's blowing of station officers and agents throughout Europe came but a year after le Carré's recruitment in 1960. Service in Germany in the years when detente mitigated the worst severities of the Cold War, and did so substantially as the result of a remarkable SIS operation, does not appear to have given le Carré any real understanding that intelligence acquisition, assessment and distribution were activities of any conceivable value – or necessity.

There is, however, another if more critical explanation. In concluding his classic essay, *Concluding England*, G.M. Young wrote a postscript for the 1950s which could well apply to Burgess and Maclean, to Kim Philby and maybe to le Carré's unhappy men and women: "cynicism and superciliousness, the stigma of a barren age and a waning class."

Le Carré knows all too well that a reader's frisson can be caused by suggesting that cynicism and superciliousness, breeding moral corruption, are the normal human condition. Are they? In *Under Western Eyes* Conrad shows compassion for the craven evil-doer, not only for his unintended victim. Greene's *The Ministry of Fear* is a study in loyalty rather than deceit. Elizabeth Bowen's masterpiece of wartime treachery, *The Heat of the Day*, tells us something about motive, punishment and reward, about will. Le Carré seeks to deceive for no similar reason. Yet in *The Secret Pilgrim*, le Carré appears to be making amends. Smiley's people are good chaps after all, and – says le Carré – long may they prosper at their trade. It's a pity that he didn't say so 30 years ago.

## Desolate and black

WHAT NABOKOV said of Gogol applies to Chester Himes: "Gogol is always stranger; it is only your healthy second-rater who seems to be the grateful reader to be a wise old friend, nicely developing the reader's own notions of life." Himes holds few comforting familiarities. His 60 *Collected Stories* and 20 novels, written between 1933 and his death at 75 in 1984, punctuate unnatural acts with casual slaughters.

He manages to be unrelentingly fresh: there is no typical Himes story. He copies Maupassant's volte-face endings with Chekhov's flickering subtleties of mood. In the short story, Himes ranks alongside Hemingway for style and Eudora Welty for insight. One of Welty's best stories, "Where Is the Voice Coming From?" (drawn from the murder of Medgar Evers in Jackson in Mississippi, 1963) gets close to Himes, but he achieves a consistently high strangeness. His status among American short story writers deserves to be much higher. He has James Baldwin's shrewd racial insight, Zora Neale Hurston's humanity and Raymond Chandler's narrative pace and verve.

You can imagine Himes coolly singing the blues as the vehicle of greatness in American three-minute culture, the anthology train, left him at the station; but it also left him free of the attentions of the academic industry. It may now be returning, to pick him up not only on the thriller and suspense writer ticket but on the black writer ticket. The American establishment had never wooed Himes, as it wooed Baldwin,

## THE COLLECTED STORIES OF CHESTER HIMES

W.H. Allen £14.99, 429 pages

## RUN MAN RUN

by Chester Himes

W.H. Allen £5.99, 192 pages

## CAST THE FIRST STONE

by Chester Himes

W.H. Allen £5.99, 303 pages

Hurston and Welty with academic plaudits and fellowships. He wrote mostly for *Esquire*, *Crisis* and *Negro* in the 1930s and '40s. In the 1950s, he left his native Missouri to settle in Europe.

Himes' stories and novels chronicle poverty, murder, racism, and occasionally love. He started writing in prison, where he was serving time for a jewel theft. His first story, "Her Whole Existence" keeps Byron in the background and shows a subtle tenderness which makes his brutal truths easier to bear. His 1952 prison novel, *Cast the First Stone*, tells of convict life and its stark routines; but it also weaves a love story through the corruption, kick-backs and rape. His hero Jim Monroe, "dead and rotting in the oblivion of prison," meets Dido Davis; they become great friends: "It was well to be young and alive and have such a wonderful friendship, even if we were in prison." The authorities accuse them of "SP" (sexual perversion). Davis kills himself, and Monroe gets paroled. Himes revels in his ability to

cast shades of gloom to create darkly comic effects: "to see a twelve-year robber with a six months' continuance. That was pitiful. That was like catching God sloppy drunk."

Himes can be relied on to surprise. He opens the 1960 *Run Man Run* with "Here it was the twenty-eighth of December and he still wasn't sober", introducing one of New York's finest completing the morning's work by violating a prostitute, murdering two black porters, and injuring another to emerge in the evening's headlines as "the luncheonette killer". Violence in Himes is never just brutal: the sight of the fat guy, shot, landing in the kitchen gravy pail while the murderer vomits on the floor, is "the sight of violence unleashed because of race." And Himes' blacks rarely "Uncle Tom" it by dreaming of life homely and skewed chattering. He masters situations by putting a disarming matter of factness in service of a sad, complex vision.

*Collected Stories* everywhere shows his melancholy, as if his truths weighed too heavily on him. Each story is an act of scrupulous control. Himes never lets his characters become mythic or archetypal, just plain extraordinary: the Texan who duels a lynch-bob singlehandedly, the convict who gets five for breaking back inside, the tender killer yearning to confess. The stories trade in secrets and sombre truths realised too late; life's little ironies turn a coat, a look or a pearl behind 38 into the real hero. His characters dream of Works Progress Administration jobs, of getting out, of getting even. The bleak



Casual slaughter: Chester Himes

cityscapes make him the Edward Hopper of print, sometimes painfully funny, never wantonly joyful, and always desolate.

Himes wrote "The Last Day" in 1933, an almost simultaneous with the original of the grim genre, Orwell's "A Hanging"; here, the condemned man swaggers to the chair, "but in his eyes there was the subtle hint of utter fear." Himes catches these intense moments, and tells unforgettable tales around them.

Andrew St George

## All spaced out

SPACE exploration is about brute-force technology, human daredevilry and political opportunism. It encompasses barely imaginable vistas – bordering on fantasy – as people dream about how life might be lived on the other side of the universe.

## WHO'S WHO in 1991?

28,000 biographies

authoritative...

...up-to-date...

...indispensable



£72

Available Now

A &amp; C Black

No wonder the subject is such an irresistible temptation for publishers. Even though the story of mankind's forays into the cosmos has in recent years been a muted one – a result of tight budgets, technical disasters and reduced competition between the two superpowers – there has been no let-up in the stream of books on the topic.

The Cambridge Encyclopedia of Space is a cornucopia of facts, figures and ideas. Would you like to find out about astronauts' toilet arrangements, what Paris looks like from 500 miles up, the trajectory taken by a space plane as it lands on Venus and the inner workings of a rocket's fuel injector?

The photographs and line drawings are superb. Missing, however, is any appraisal of what degree the billions of dollars spent on manned space extravaganzas since the 1950s have brought calculable benefits to ordinary people.

*Space – The Next 100 Years* is like a scaled back version of

## THE CAMBRIDGE ENCYCLOPEDIA OF SPACE

edited by Michael Rycroft

Cambridge £40, 336 pages

## SPACE: THE NEXT 100 YEARS

by Nicholas Booth

Mitchell Beazley £12.99, 128 pages

## YOUR SPACECRAFT MANUAL

by David Ashford and Patrick Collins

Headline £10.95, 120 pages

the Encyclopedia. It is less ambitious but perfectly acceptable for those who want a zip through the facts on space exploration without wanting to spend the earth. *Your Spacecraft Manual* tells how space tourism could take off within the next few decades. Such ideas might seem completely barmy. But space exploration inhabits a place far removed from the ordinary world.

Peter Marsh

## Rags to riches

EUROHISTORY is here, published in eight European languages. Its explicit aim is to enquire whether a united Europe "would be an artificial creation *ex nihilo* or the culmination of a long historical evolution." The author is French, and the translator a British historian who has spent much of his professional life working for the EC.

You would be forgiven a touch of scepticism. Who could be the heroes in such a work? Francis Drake or Philip II? Napoleon or Nelson? De Gaulle or...

For Duroselle there is only one hero: Europe, star of a rags to riches story. From violence and poverty after the Roman Empire to the acquisition of art and science from Arabs and Chinese. On to overcome and conquer the world with technology and industry only to mutilate itself in 20th century wars. Now Europe stands on the threshold of another millennium contemplating the alternatives of debilitating fragmentation or a new golden age of cosmopolitanism.

It is a great and moving story, made effective by a scholarly yet accessible style, deft précis and several hundred well-printed colour pictures. The romanticism of the central idea is kept under control. The language is plain and the construction of chapters logical. Much of the sentimentality in school history is eliminated. Folk heroes such as Drake and Caxton are dropped in favour of those who made a real difference, such as Erasmus, Metternich and Calvin.

From the start, Duroselle takes pains to identify the origins of current European and national institutions and issues: Machiavelli's notion of the balance of power, the

## EUROPE: A HISTORY OF ITS PEOPLES

by Jean-Baptiste Duroselle, translated by Richard Mayne

Viking £25, 424 pages

decline of absolute rule after the English civil war and the Glorious Revolution, and the recent growth of nationalism. It was in the 19th century that nationalism became a pre-eminent political force – a reaction to Napoleon's use of arms, rather than his intention to unite the continent.

Duroselle avoids the trap of elevating Charlemagne's empire into a precursor of single state Europe. The Roman Empire and Christianity are given more credit, but his method is not to identify unifying forces as much as to point out the borders have not been barriers to ideas. Voltaire, Hobbes and Locke were read across Europe. The middle classes first rose to power in both Britain and Holland, while industry and banking took hold from the Atlantic to the Elbe in the space of a few decades. So too did the aggressive nationalism of Napoleon, Bismarck and eventually the fascists – the United Kingdom, far from being above it all, encouraged tension on the Continent to avoid being distracted from the repatriation of its imperial booty.

Europe is not invalid for being openly partisan. Rather the reverse: it invites readers to learn a different history. Consider it a serious contribution to the coffee table and a refreshing antidote to school-book parochialism.

Daniel Green

## IMPORTANT ANNOUNCEMENT FOR BUSINESS BOOK READERS AND ADVERTISERS

## The FT Review of Business Books

ENSURE YOUR SPACE NOW FOR THE FIRST REVIEW OF 1991.

FRIDAY 1ST MARCH

ORDER YOUR COPY NOW!

FOR FULL DETAILS PLEASE TELEPHONE WAI-FUNG CHEUNG ON 071-407 5758

## BUSINESS BOOKS

## THE ANDORRA REPORT

DR W G HILL

Why Andorra is still an unexplored fiscal paradise, with no taxes or political interference.

The report explains how to buy property cheaply and obtain 3 different passports.

Offered: An ideal tax haven for offshore companies. Confidential banking, passports, etc. examined.

260 inc plus (airmail add £12)

SCOPE LTD, Box No 216, 22 Murray Rd, Walsbyville, Heath PO8 9TL

Tel: 0785 592255 Fax: 0785 591975

## TINKLE LIKE A TITCOON

HOW TO EARN A MILLION OR MORE IN THREE YEARS OR LESS

DR W G HILL

The author explains how to become rich and how you can rapidly accumulate a fortune using his methods of successful property ownership/development/leasing.

Very practical and comprehensive.

260 inc plus (airmail add £12)

SCOPE LTD, Box No 216, 22 Murray Rd, Walsbyville, Heath PO8 9TL

Tel: 0785 592255 Fax: 0785 591975

## HOW TO OWN A NEW LUXURY CAR EVERY YEAR OF YOUR LIFE, FOR FREE

DR W G HILL

Explains how to buy cars at the lowest tax free factory list prices in Europe.

How to obtain cheap legal 2 year tax-free plates and insurance, and many other secrets of owning luxury cars with ease and advantage.

260 inc plus (airmail add £12)

SCOPE LTD, Box No 216, 22 Murray Rd, Walsbyville, Heath PO8 9TL

Tel: 0785 592255 Fax: 0785 591975



## ARTS

## British patronage, Kremlin silver

At this time of year Christie's and Sotheby's hold exhibitions rather than sales. Our critics report



Robert Marsden, one of the exhibitors at the Crafts Council

## The craft of twenty lives

VERY SOON the Crafts Council must give up its fine galleries on the corner of Lower Regent's Street and Waterloo Place, the prime shop-window for all it stands for, that the Prince of Wales opened amid such fanfare and certain general hope can it only be 10 years ago? But the Council itself is not yet 20 years old, and if it must now move away from the West End, it is not at all because the end has come.

Indeed, *Can't Stop Me Now*, the title of the latest if not the last exhibition at the present site (until February 24), though addressed to a particular aspect of the Council's work, is admirably positive a declaration of healthy optimism. The Council has often been much misunderstood, for the crafts still carry unfortunate connotations in too many minds of heavy mugs and raffia-work, evening classes and occupational therapy, beads, sandals and vegetarianism. To such prejudice, direct exposure to what the Council has already achieved can only come as a shock. Its simple beach runs for England and Wales - there is a separate council for Scotland - is to encourage and promote the work of the contemporary craftsman in any of the disciplines of the fine crafts which, yes indeed, may extend from pottery to weaving and basket-making. The essential distinction, one more of practice than of theory, is that the work should be of individual production as opposed to more systematic manufacture, though the territory between fine art on the one hand and industrial design on the other must ever remain undefined.

In this work of general encouragement and enablement, one of the Council's principal plays, along with exhibition, purchase and so forth, has been the award of a setting-up grant. The intention is clear enough, to assist the deserving craftsman in the earlier stages of his career by means of a maintenance grant, currently set at £2200, and a further award up to a maximum of £5000, to cover half the costs of tools, materials and machinery. Lately some 38 such awards have been made each year, which in 1989-90 accounted for a total of £114,800. The scheme is as old as the craft itself and supports the actual subject of *Can't Stop Me Now*.

Twenty recipients of the grant over the years, from the now very well-established to

the young and hopeful, were invited to show a selection of their work and to give some account of the difference the setting-up grant made to them in their working lives. The wide range of disciplines they represent includes a shoe-maker (Susan Hildson), an embroiderer (Alice Kettle), a musical-instrument-maker (Stephen Gottlieb) and a blacksmith (Alan Evans), besides the usual run of jewellers (Ros Conway and Ros Perry), ceramists (Ewan Henderson and Jim Malone), a letterer (Lily Lee), a silver-smith and metal-worker (Robert Marsden) and glass-maker (Simon Moore). Other disciplines are furniture (David Field), textiles (Usha Mahenthiralingam, Sally Freshwater and Jasia Szerszynska), carved mechanical figures (Jan Zalud), clothes (Ran Hogg), product design (Russell Bagley), turned wood (Anthony Bryant) and tin and metal creatures (Lucy Casson and Andy Hazell, working together).

The work is as various as it is distinguished; some of it presented in succinct retrospective, as with the studio pottery of Jim Malone and the more ambiguous ceramic forms of Ewan Henderson, or entirely new and unfamiliar, as with the enchanting tin animals of Lucy Casson, her charging cattle and pecking turkeys so crankily active, or Jan Zalud's immaculately surreal mechanical heads.

But the quality of the work, in itself, is not quite the point. Rather it is the role of the Council, implicit in the continuing commitment of each artist-craftsman that is here recognised and celebrated. "I decided to start my own workshop instead of designing for industry when I heard had been awarded a grant" (Susan Hildson). "I want to make beautiful things which other people can use and enjoy every day, and I want them to get better" (Jim Malone). "My work may well be some kind of absurd obsession, but since ideas continually lead on to other ideas that I am still trying to get right. I have to continue" (Robert Marsden). "I've found a way of using the machine which I couldn't have predicted... I continue because I'm so excited by what I'm doing. I feel as though I'm unwrapping a parcel and finding more and more" (Alice Kettle). Such, in the exhibitions, are the creative lives of Twenty Craftspeople, and who would stop them now?

William Packer

EVERY JANUARY the main auction rooms of Sotheby's and Christie's take a holiday from daily sales and give over their space to exhibitions, which attempt to be both scholarly and charitable. They also often manage to be profitable because works of art put on temporary loan somehow find their way into the auctioneer's gavel in the next twelve months.

There is no chance of that happening at Christie's this year. Its exhibition, *Patronage Preserved*, shows off objects that have found a permanent home in British country houses thanks to negotiated deals conducted by Christie's with the tax authorities.

There is an element of hypocrisy in all this because Christie's has thrived for centuries by acting as the selling agent for the aristocracy, conducting most of the auctions in the late 18th and early 20th century which scattered abroad the treasures acquired by the grandees of the 18th century. It has been quite happy in recent months to sell to American buyers such glories of the English country house as the Badminton cabinet and The Three Graces.

What is needed is more publicity given to acceptance in lieu provisions, and especially of the deals which form the basis of the current exhibition, works of art which have passed into national ownership but which remain in situ at home surrounded by the historic furnishings. It might annoy revolutionaries that the rich can pay tax with pictures or furniture which remain to embellish their houses but often this is the perfect setting - as long as the public has adequate viewing access.

This exhibition will play its part in popularising this solution. Quite naturally it appeals to British taste - these are the objects you have grown to know and love through visits to country houses. There are the family portraits, in particular that of Sir Robert Throck-

morton by Largillière which, although painted in 1728, still shows the proud young aristocrat in half armour. It comes from Coughton Court. There is silver, in particular the enormous wine cistern from Belton which George III ordered for the Speaker of the House of Commons, Sir Brownlow Cust. There are Chippendale armchairs from Nestell Priory and Chinese export porcelain plates from Shugborough. Brodsworth, Weston Park, Knole and Kedleston are among the houses that have been temporarily raided of almost a hundred of their finest furnishings to make a miniature Treasury Houses of Great Britain display.

It is elegantly displayed (until January 20th) and comes with an informative catalogue, the purchase of which helps the National Trust's Robert Adam appeal at Kedleston. And it is ultimately reassuring, for despite all the "heritage in danger" stories it reminds us how well stocked are our stately mansions with impressive, yet familiar, works of art.

Antony Thorncroft

LOOKING AROUND the world's great museums it often seems that our forebears indulged in an elaborate form of cultural past-the-parcel, leaving caches of national treasure in the most unlikely places when the music stopped. Berlin found itself with a stunning Greek pot, Madrid with more (Tizian), Venice, Istanbul rivals Taipei for Chinese blue and white, and the finest 17th century French costume and textiles are to be found in Stockholm. Where does one find Tudor and Stuart silver? Moscow.

The Armoury Museum in the Kremlin claims the pre-eminent collection of Pre-Restoration English silver, and it joins forces with Sotheby's to treat London to a spectacular display (until January 28). How the Kremlin came to hold this outstanding collection is the

The silver leopard dragon bought by Ivan the Terrible from Charles I



OSIP Mandelstam is one of the greatest - some would argue that he is the greatest - Russian poet of the 20th century, and this week's reading of his work at the South Bank by Seamus Heaney and Joseph Brodsky, Russia's Nobel Laureate, celebrated the centenary of his birth and the publication of two new books of translations, one prose and the other poetry.

Heaney and Brodsky, each reading alternately in his native tongue, strove to give us a coherent chronological account of Mandelstam's life and work, whilst bearing in mind the difficulties of translating a poet whose practice it was, especially in the later poetry, to move rapidly from metaphor to metaphor, accumulating a dense and sometimes awkward surface of interacting meanings. As Brodsky put it, "the two poets chose poems that 'sounded reasonably good in English'."

Mandelstam, as Heaney reminded us in his introduction, was essentially an apolitical man, who, by dint of time and circumstance, was drawn into the maelstrom of revolutionary Russia. He never regarded himself as a poet who wrote for the present, leaving that more humble task to those who tinkered in prose. It was, therefore, entirely appropriate that the reading should be given with an extremely rare recording of him, transcribed from a cylinder of 1925 declaiming the poem, "No, I was no one's contemporary ever..."

## Records

## Salieri comes into his own

This scene is the triumph of Salieri's dramatic vision: curiously short, but riven with Alceste-like tremors and ending in an awesome outburst of brass and voices. G. Gelmetti directly predicts Cherubini and Beethoven. Earlier, Salieri re-creates the Gluckian mould with his own shapely, beautifully lyrical word-setting and voice-flattering use of instruments; the master's concentrated intensity of tone and pace are imitated rather than always fully achieved.

Judging the work from this much-cut performance (recitatives drastically pruned) requires, it should be said, a certain degree of caution. It well played and paced under Gelmetti's energetic baton, but the French diction varies from the just-passable (Margaret Marshall doing Hyperborea in her finding, neo-Schwarzkopf mode) to the risible (Kavrakos's sonorous-toned, rather wooden Danais); only Glimmer's elegant and finely poised Lynceus blends words and notes with any firm command of the French Classical manner.

All the same, it's a set well

Salieri: Les Danaïdes. Margaret Marshall, Dimitri Kavrakos, Raul Gimenez etc./Switgar Radio Symphony and Orchestra/Gelmetti. EMI CDS 7 54073 2 (two CDs). Janáček: Osud. Philip Langridge, Helen Field, Kathryn Harries etc./Welsh National Opera Orchestra and Chorus/Charles Mackerras. EMI CDC 7 4923 2 (one CD). Verdi: I vespri siciliani. Cheryl Studer, Chris Merritt, Giorgio Zancanaro, Ferruccio Furlanetto etc./La Scala Orchestra and Chorus/Riccardo Muti. EMI CDS 7 54043 2 (three CDs).

worth exploring. Since another, more stylish *Danaïdes* recording is hard to be looked for on the horizon. The booklet gives the text in French and German but not English: shame!

*Osud* is the first product of a renewed collaboration between EMI and the Peter Moores Foundation designed to promote recordings of opera in English. The series could hardly begin more thrillingly. As Coliseum audiences know well, Rodney Blumer's English

tweezing out individual details for our attention. We recognise that Mandelstam is an intensely private, feeling man, a poet of melody and verbal alchemy who renewed the Russian tongue.

Brodsky grips the lectern fiercely. His face is pallid, his skin stretched taut. He introduces the poems humbly, seeming unhappy with his own explanations, waiting always, to express himself just a little

Heaney and Brodsky recite the poetry of Osip Mandelstam

more clearly... He cracks very good jokes from time to time. His insights can be brilliant. But he is so ill at ease - by turns arrogant, dismissive, bored, disdainful, impatient with the quality of the translations - that it is often difficult to pay attention to what he is actually saying.

But the greatest shock comes when he reads the poems. Heaney reads poems as he speaks. There is no violent division between the language of conversation and the language of poetry. Perhaps there is a little more respectfulness, a touch more gravity, but it is still the same melodic Irish voice stroking us into submis-

sion with its full, friendly, stretched vowels. Brodsky's voice breaks upon us like waves of the sea. When he begins to recite his voice shifts up semitones. It is as much a harangue as a reading, a terrible verbal assault upon the audience. He seeks to be striving to do several things: to impress upon us that poetry is a form of elevated speech, something more spiritually refined than prose; to force us to recognise that poetry represents an exaltation of the power of language; to pummel us into submission, and to get the whole thing over and done with as quickly as possible. We hear the poems as monolithic wholes when Brodsky reads them, no longer as an accumulation of individual details to be savoured, falling bit by bit into our ear. Brodsky declaims on a single, tremulous note that rises and rises, little by little, as the poem proceeds, and then falls suddenly, dramatically, at the end. It is as if the poem has been placed - detonated - by a counter-force that causes it to fall in upon itself melodramatically. The building of the poem - that massively strong verbal structure - has collapsed, and we stare amazed into the pitiful cloud of dust rising.

Much of the evening was given over to readings from *The Collected Critical Prose and Letters and Stone*, Mandelstam's first published collection of poems. The prose includes some of Mandelstam's most important pronouncements upon the relationship between poetry, language and culture. Mandelstam believed in clarity of statement and uncluttered presentation. Words were the building-blocks of language, solid, real things, and it was the poet's duty to regard himself as a maker akin to the carpenter. Poetry was to be a supreme effort of craftsmanship. The programme of action known as Acmeism represented a reaction against the influence of the Russian Symbolists, those poets who were forever soaring up into some mystical beyond. Many of the poems in *Stone*, which was first published in 1913, have that quality of solidity, durability, and the sense that the poet is trying to represent real

things as clearly and honestly as possible.

The collection also contains some of his finest poems about buildings, and this theme of the relationship between architecture and poetry was to obsess Mandelstam throughout his life. Great buildings are the visible embodiments of a world civilisation that accumulates, layer upon layer. Civilisation is a gradual process of accretion: Justinian stole columns from the Temple at Ephesus to build a greater monument, but this time in honour of the Christian God. Every poem that Mandelstam wrote represented a small contribution to a world culture that would surely come into being, little by little. Joseph Stalin, his tormentor, would die - but the poems would - and do - live on.

Michael Glover

*The Collected Critical Prose and Letters and Stone* (Collins Harvill)

silver that took 24 men to carry, presented to the Tsar by Charles Howard, Earl of Carlisle in 1683, was not enough to win back the privileges the English merchants had lost as a result of the execution of Charles I. Tsar did not approve of regicide.

Purchase as well as gift enriched the Kremlin coffers. The two most magnificent exhibits, each one of a pair, were acquired on behalf of the Tsar in 1683. They had left the "Great Gilt Copper of Estate" three years before, among the 20,000oz dispersed by Charles I when Parliament refused to grant him sufficient funds. The first, probably a gift to Elizabeth I, is a sleek and unusually fine silver gilt leopard, a great snarling heraldic beast with polished teeth and tight curls, rising on hind legs and rippling haunches to almost a metre high. Nothing like these ceremonial flags survive, save their cruder wooden equivalents that adorn the staircases of prodigy houses.

The second is a massive silver gilt water pot ordered by James I in 1614, its only comparable pair also in the Kremlin. Chased with thistles and Tudor roses and embossed with flames, it has a scaly coiling serpent for a handle and a clinging dragon for a spout.

Sotheby's has fleshed out its treasury by setting the Moscow trade in context, producing more or less relevant examples of Tudor and Stuart letters, maps and charts, armour and weapons, furniture, costume and portraits.

The silver and its story is fascinating, and the show itself neatly re-establishes silver as an aid to Anglo-Russian trade and diplomatic relations. Lloyds of London insured the silver, Gander & White packed it, British Airways transported it, and Midland Group sponsored the catalogue. Proceeds from the latter go towards the Kremlin conservation and exhibition programmes.

Susan Moore

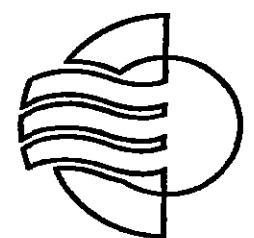
## 'No one's contemporary ever'

things as clearly and honestly as possible.

The collection also contains some of his finest poems about buildings, and this theme of the relationship between architecture and poetry was to obsess Mandelstam throughout his life. Great buildings are the visible embodiments of a world civilisation that accumulates, layer upon layer. Civilisation is a gradual process of accretion: Justinian stole columns from the Temple at Ephesus to build a greater monument, but this time in honour of the Christian God. Every poem that Mandelstam wrote represented a small contribution to a world culture that would surely come into being, little by little. Joseph Stalin, his tormentor, would die - but the poems would - and do - live on.

Michael Glover

*The Collected Critical Prose and Letters and Stone* (Collins Harvill)



CORNWELL PARKER

fabrics • furniture

BRANDS OF STYLE AND STRENGTH

G. P. &amp; J. BAKER

FABRICS &amp; WALLPAPERS

Parker Knoll

FURNITURE

LOCK OF LONDON

REPRODUCTION FURNITURE

MONKWEILL

FABRICS &amp; WALLPAPERS

nathan

CABINET FURNITURE

PARKERTEX

FABRICS &amp; WALLPAPERS

K. Raymakers &amp; Sons

VELVET MANUFACTURERS

Fitted Kitchens &amp; Bedrooms

For a copy of our Annual Report

please write to Martin Jordan, Chairman,

Cornwell Parker plc, P.O. Box 22, Frogmoor,

High Wycombe, Buckinghamshire HP13 5DI.

Name \_\_\_\_\_

Address \_\_\_\_\_

Post Code \_\_\_\_\_

Max Loppert

مكتبات الأصيل



## ARTS

## Glasgow's morale boosted by cultural jamboree

WELL, WAS it worth it? Did the £70m spent by Glasgow last year to celebrate its selection as the UK's banner holder as "Cultural Capital of Europe" succeed in transforming the image of the city from a graveyard of the Industrial Revolution to a civilised but commercially minded high tech community of the future? And, incidentally, did it provide memorable artistic experiences?

Only time can answer the first and time will probably forget to pass on the answer. As for the second, the artistic overkill of more than 4,000 events produced some undoubted hits, a few flops, and plenty of controversy. What seems certain is that the year-long cultural jamboree has done its bit to bolster the confidence of Glaswegians and maintain the improvement in morale which has lifted the city from the abyss of economic and social collapse which confronted it a decade ago.

The City Council has vigorously pursued a policy of bread and circuses. Companies are much more likely to transfer to, or set up in Glasgow, redeploying industrial wastelands and providing jobs, if the city seems an agreeable place to live - not least for the wives of incoming executives. So in 1988 there was the Garden Festival, which attracted 4.2m visitors, and then "Culture", which notched up some 1.8m - almost a half from visitors to the city who pumped an extra £80m into the local economy.

Glasgow is fond of throwing statistics at you. Some are just not credible - like the statement that 70 per cent of all the scaffolding in the UK was propped up in Glasgow in the run up to the "Year". As the town centre smartened itself up, adding a new £22m concert hall to its facilities and totally transforming the old McEwan Galleries.

The statistics that matter most are those involving new jobs for Glasgow. The Census Office is setting up there, with 1,800 jobs (something of a coup since the Census will count the population of England and Wales rather than Scotland); BP Exploration, with 500 jobs, has moved from London; TSB

has settled two major divisions; and United Distillers has centralised twelve locations into one. The list goes on. According to David Macdonald of Glasgow Action 6,000 new jobs have come to Glasgow in the past three years.

Of course cheap land and cheap labour are more persuasive attractions of Scottish Opera and the Burrell Collection in deciding on a transfer, but the image of the city is vital. And this is where Glasgow has been successful. Council leader Pat Lally has the research at his fingertips. "In London and the south east the proportion of people who think Glasgow is changing for the better has increased from 34 per cent to 49 per cent". Since 1983, and the launch of the "Glasgow's

Year of Culture' has proved that the arts can play a valuable part in attracting new investment says Antony Thorncroft

Miles Better" campaign, the city has provided the best British example of an American phenomenon - that the arts can play a valuable part in helping cities to regenerate themselves, both in improving local confidence and in attracting new investment. Birmingham and Bradford have been quick to latch on to the idea. Not everything is perfect. The revival of Glasgow has, to date, been concentrated on the city centre, mainly because it did not seem terminally dead; impoverished and desolate council estates that ring the city have experienced little improvement. This is a sensitive matter for Councilor Lally, who represents just such an area. He points to the 15 attempts by the Year of Culture to reach these parts, and indeed anyone from the outskirts with the initiative to come up with a proposal on how they could spend £500 on video equipment to capture their community for history, or to organise a street arts festival, will have got the money, few strings attached.

But talking to Glasgow workers, and not just taxi drivers, the impact on the periph-

For example, for all the 2,000 new arts organisations that came into being (most of them temporarily) from the Year, the main beneficiary from the event has been Glasgow's growing middle class. Typically, while few Govan shipyard workers made it to the McEwan Gallery, a keen theatre goer paid her first visit to Govan to see Bill Bryden's acclaimed production of *The Ship*, an undoubted hit of the year.

Another predictable lesson for cities that might be encouraged to invest in culture is that foreign drama draws an audience - the biggest box office disappointment was the International Theatre season, at which attendances were 15 per cent below projection. In contrast, classical music uses an international language and the World Orchestras season achieved 85 per cent capacity as against the 70 per cent forecast.

Glasgow also confirmed that care should also be taken over pricing, especially for events aimed at a mass market. Glaswegians do not like paying for the arts, not because they conform to national stereotypes

but because the city has a long history of free access. So the major financial and political disaster was, sadly, Glasgow's Glasgow exhibition under the arches of the Central Station. Admission was initially fixed at £4 to recoup some of the excessive cost of £4.6m, and visitors stayed away in droves. When the ticket price was slashed to £1 they flocked in, with over half a million admissions, but by then it was too late and the Council had to pick up an additional bill of £900,000.

It was the same story at the McEwan Galleries. The impressive Scotland Creates exhibition of 2,000 years of Scottish design has attracted few visitors, mainly because of a £2 charge. Its sponsors, Lilley, would have had second thoughts about backing the show if they had known about the charge.

Glasgow also confirmed another truth about arts funding in the UK: the Government is mean while commercial sponsors can often be coaxed into providing support. It is a scandal that the Government washed its hands of the venture once it had nominated Glasgow to be the British representative. Its contribution was a pitiful £500,000 while sponsors far exceeded their target by contributing £5m, with few massive tie ups but hundreds of useful top ups, not least the Shell, which offered free transport between the main cultural landmarks. However, the snobbery of sponsors was confirmed by the failure to rally round what proved the most successful single event, the Big Day.

Like the City Council sponsors were swayed by the big money of the safe options. Putting up public money to bring Frank Sinatra and Pavarotti to Glasgow was impolitic, given the ticket prices, and the decision to convert the National Exhibition Centre to cope with the Bolshoi, and its hundreds of artists and technicians, was an over ambitious venture which almost came to financial grief. But Glasgow's policy of assessing each event individually, and not going ahead unless it could be either justified at the box office, or any deficit picked up by a sponsor, ensured that that the



The Bolshoi Opera's production of Rimsky-Korsakov's 'Mlada' was deemed a success

Year came in within budget. Box office and earned income met 45 per cent of the £50m cost (the other £20m from the £70m total is the money which Glasgow would have spent anyway in 1990 on the artistic well being of its people).

Also on the debit side there was a feeling that for a Capital of Europe, Glasgow had not done enough to reach out to European and American visitors and investors: the city finds it easier to score off Edinburgh and to impress the

English. The Year of Culture has also produced long term problems. Glasgow will now have to spend more on the arts to maintain the new concert hall, the McEwan Galleries, and, ideally, the Tramway, which was part converted to handle the avant-garde performances of the year. The momentum must be maintained to prevent the sceptics saying that the Year of Culture was just an ego trip for the Council, and not least for Pat Lally, who last month made

his special contribution to artistic debate by proposing to remove the commissioned murals from the new concert hall, already designated as "Lally's Pally", because they offended his traditionalist taste. The Year of Culture has lifted Glaswegians' spirits but the city is not yet out of intensive care. Lally is looking for another Big Event for 1993 to help turn convalescence into ride health.

## 'Cat' in need of sharper claws

THE PRESENCE of Hans Werner Henze in the pit will have given the first event in this Henze festival an extra distinction. The Henze, which runs nightly at the Barbican Hall until Tuesday, includes a fair selection of the composer's major works and a smattering of premieres, mostly revisions or works in progress, though no less welcome for that.

The opening operatic event was certainly overdue. It is more than a decade since Henze produced *The English Cat*, his satire on the class system in English society, but it is only now that the piece has made its way to London, guested at one of his home counties feline cast. It is an engaging little fable, which waves a defiant moral tail.

Thought to be too long at its premiere, the opera has recently been subject to revision. The composer evidently took early criticism to heart and a trimmed-down version was unveiled at his music festival at Montepulciano last summer. Produced, designed and conducted (very well, it must be said) by Henze himself, it is that production which has come to the Guildhall School of Music for two performances, last Thursday and tonight.

Whether it yet hits its satirical target, however, open to question. Those who remember the composer's operatic successes in London during the 1970s - *The Bassarids* and *We come to the River* - will know how deeply stirring his music can be, when the strings start to surge and romantic climaxes billow. That is what the best of the score is like here and it is difficult not to feel that Henze has lavished too much love on a tale so slight.

Time and again the opera tugs at the heart-strings: Sally Harrison and John Oakley-Tucker made a touching pair as the young lovers, she an innocent little bunny from the suburbs, he an alley-cat who dwells along the rooftops of the well-to-do. Ellen Andersen was affecting as Babette, the constant sister, and Neil Jenkins provided with exquisite feline grace as Lord Puff, the top cat.

Ah, the wickedness of putting all this in front of the animal-loving English. What the opera never quite manages to do is to get the audience where it is unengaged, as the best satires always do. There are few one-liners that hit home. Few of the scenes move with enough speed or purpose to their denouement. For all its engaging qualities this performance left one with a single underlying feeling of dissatisfaction: that this *English Cat* still needs its claws sharpened one stage further.

Alastair Macaulay

Richard Fairman

## Radio Witness to the decay of communism

IT MUST BE politics again this week, for Radio 4 and Radio 3 each have series on the decay of communism. Radio 4's (Tuesdays) is a three-part documentary presented by Gordon Clough, about what is happening in Soviet Russia now, whereas Radio 3's five-part (Wednesdays) has Michael Charlton on the various factors involved in the communist downfall, beginning with Khrushchev's "secret speech" against Stalin in February 1956.

Clough calls his first piece *The Second Blockade* and compares the current food shortages in Leningrad with the miseries of 1941/2. It is from his talk with local citizens that we hear about the days in queues; about the poverty of the ration; about the people's dislike of the government, their ideas where the blame lies. Do the communists of the south fail to send their supplies? Is there sabotage among the KGB and MVD to organise a mass black market and endless bribery abound; Clough had a horrid story about a young student running a profitable sideline from his own car. "Something has got to be done" is a common cry, but no one knows what.

The incomparable Charlton's *Footsteps from the Past* is contemporary history,

with first-hand information from close connections of the principals. This week, covering the origins of *perestroika*, he could call on Khrushchev's son Sergei and his son-in-law Alexei Adzhubel, former editor of *Pravda*, Anastas Mikoyan's son Sergei, now a professor of history, and Nikolai Barsukov, in charge of the archives, including the first draft of the secret speech. They spoke quite openly. Khrushchev had "an acute sensitivity for undeserved suffering" and never believed in a system based on fear and coercion.

When discontent began to spread, European communists realised that the system was to blame for the discontents, as Gorbachev has to realise it today.

A series of more relaxing kind is Radio 3's *Star Enigmas*. *Man of Soil* on Wednesdays. Stan was a former shanty-man, and his first programme was about capstan-songs. I liked it, and I'd have liked it better if Neil George, the producer, had been more on the ball. "Sailors always pronounce the short 'i' sound as 'aye'", said Stan; but the unnamed singers gave us "Reco Grande" and "Missouree" just like landmen. This is the season for Controllers on phone-ins. On Mon-

day, Johnny Beerling of Radio 1 shares his time with DJ Steve Wright, largely over what music should be played when, but also on more important items, such as Radio 1's impending 24-hour day, the fact that Radio 1 news is heard more than any other (by 4% million listeners) and that when young kids hear sexual innuendoes, either they don't understand them, or if they do, they are learning nothing new.

On Tuesday Radio 4's Michael Green was with Nick Ross. There were callers who wanted less about the Gulf and those who wanted more (let them wait until after Tuesday, when we may hear about censorship); but otherwise not really more urgent than Radio 1. Much talk of the rescheduling of *Woman's Hour* to the morning; of excess speculation in the news (Green agreed) and right-wing bias in *Today* (Green differed); nostalgia for the Saturday Play once the *Forsytes* were done. What was Radio 4's ethos? To gain wider audiences. More Controllers next week, I expect.

B.A. Young

Chess No 855: 1 Ne5 (threat 2 Rxc4) Rxe5 2 Qb5 or Rxc6+ 2 Nc6. Traps are 1 Nc1 Rxf6+ or 1 Nc3 R4 Kxd4 or 1 Nc3 R4 Kxd4.

YOU READ the books? You watched the TV series? You're following shorter, too. Three volumes of *Galsworthy - The Forsytes* began the opening trilogy of the nine *Forsyte* Chronicles - boiled down into two volumes. And, 23 years after the TV series, here again is Nyree Dawn Porter as Irene.

The play eliminates most of the peripheral characters, and a few central ones like Winifred, and concentrates on Soames, Irene and Bosinney; Soames and Annette, Young Jolyon and Irene; and finally Fleur and Jon, ending on Fleur's wedding-day. Does this mean anything to you? If you are unacquainted with the *Forsytes*, there is little reason to catch this version. But it is also true that if you have made much study of the *Forsytes*, this version at the Haymarket, Basingstoke is still worth missing. This play is simply a trip down memory lane, and it will work best for those whose memories are none too precise.

If you cut away all the peripherals, it becomes clear that Soames, Irene, Bosinney and June are a markedly inferior English version of Tolstoy's *Karenin*, Anna, Vronsky

## Forsytes boiled down for the stage

and Kitty. It's the surround that gives Galsworthy's novels their importance, because it recreates in detail the fibre of English capitalism.

The script is by Pat and Derek Hoddinott. It concentrates on Irene and Soames, and ends deplorably with Soames still wishing that things had worked out. His "If only, if only" is the closing line. Philip Madoc is not a natural Soames; he is too naturally expressive. But how can he, or anyone in this cast, bring to life the whole moral code of the *Forsytes* in so short a time? Nor does the play take us inside either Soames or Irene. It just plays out classic scenes and jogs us into reminiscing: "Oh, yes, this is the scene I used to love so much with Eric Porter." In the unenviable circumstances, Madoc conveys Soames's stern dignity, and Sharon Small captures Fleur's pushy and winsome energy very well. William Wymper, however, as Young Jolyon is a drip; and Beryl King as Aunt Juley is an over-

costumes - a marvellous series of them, and these indeed are the best ingredient of the whole evening - and the same hairdos. Then, when you notice that age has brought some lines you note that they have come discreetly. Nothing has changed much about this Irene, and she is better qualified in 1990 to play the later scenes than in 1967.

Nonetheless, she is less like Irene now, because she is more practised as a *charmeuse*, more conscious of her own arts. Galsworthy's Irene is above all enigmatic, and that is the one thing Dawn Porter no longer is.

EXPRESS STAMP AUCTION  
First time in The City of London on January 23rd. Lots from £25 - £8,000. "Late Lots" List still open - £100 upwards. Free catalogue. Phone 081-997 1312. 24 hour service.

Alastair Macaulay

Richard Fairman

## ART GALLERIES

ALLAN GALLERY - Hand Embroidered Silk Pictures. Cat lovers you must try to call and see. "Antiques" our limited collection of Pedigree Cats, definitely collections please. Lower Ground Floor, Allan Famous Silk Shop, 34-36, Old Street, Gray's Inn Road, London WC1X 8EH. Mon-Fri 10-6. Sat 10-5. Tel: 01-462 2011.

GUTENBERG BIBLE (c.1450-55). A fine example of the first printed book. Munich 1972. 2 volumes. D500.00. David Meyers. 2 Pied Bull Yard, London WC1 0TJ. Tel: 01-462 1227.

MOOREY & RAWLINGS. Prints for sale. 17-20, David Meyers. 2 Pied Bull Yard, London WC1 0TJ. Tel: 01-462 1227.

## PROKOFIEV

Royal Philharmonic Orchestra  
Royal Festival Hall  
VLADIMIR ASHKENAZY conducts

WEDNESDAY 23 JANUARY 7.30 pm  
Rimsky-Korsakov ..... Symphony No. 2  
Prokofiev ..... Lt. Kije  
Stravinsky ..... Petrushka  
Part of NEC International Series

TUESDAY 29 JANUARY 7.30 pm  
Glasgow ..... Symphony No. 4  
Prokofiev ..... Piano Concerto No. 1  
Prokofiev ..... Symphony No. 5

Soloist ANDREI GAVRILOV  
Sponsored by Westhatch, Green and Smith

WEDNESDAY 6 FEBRUARY 7.30 pm  
Borodin ..... Symphony No. 2  
Mussorgsky ..... Songs and Dances of Death  
Prokofiev ..... Romeo and Juliet (excerpts)  
Prokofiev ..... War and Peace Suite

Soloist NIKITA STOROJEV  
Tickets £5 - £25 Tel: 071-928 8900

THE ROYAL BALLET

*Manon*

KENNETH MACMILLAN'S  
"FULL-BLOODED ROMANTIC  
DANCE DRAMA"

(IN NEW STANDARD)

TODAY AT 11.30am: CHILDREN HALF PRICE  
16.17 JANUARY  
6.8.13.14.20.22 FEBRUARY AT 7.50pm  
2 FEBRUARY AT 2.30pm & 7.30pm

BOX OFFICE  
48 FLORENCE STREET  
LONDON WC2E 7QA  
TEL: 071 246 1066/1911

THE MAGAZINE  
YOU CAN LISTEN TO

Classic CD  
This month's CD features extracts from:  
Holst's Planets  
Dvorak's New World Symphony  
Bach's Magnificat  
Bach's Violin Concerto  
Mahler's Sixth Symphony  
and much more...

Classic CD  
Available from W.H. Smith, John Moores and all good newsagents

MAGAZINE + CD  
Only £2.95 - on sale now

NEW IN FRANCE

DARE EXPRESS  
YOURSELF IN FRENCH  
ONCE AND FOR ALL

In most language courses you only progress by means of your own efforts.

The new residential center of CERAN has been created to facilitate your concentration, communication and progress.

Thanks to the unique support of an entire team, you will excel without losing the intensity of your study programme 38 HOURS OR MORE DEPENDING ON THE CHALLENGE YOU SET YOURSELF!

You will hear and speak nothing but French, always in the presence of your teachers for 65 hours per week (lessons, meals, evening activities).

For over 15 years now, 77% of our clients have opted for Ceran following the remarkable progress they have observed in our past participants.

ALCATEL, SIEMENS, E.C., COCA-COLA, LUFTHANSA, PEP-SI-COLA, DRESNER BANK, etc.

Only recommended for motivated adults, even beginners

CERAN LANGUES PROVENCE  
P.O. BOX 207  
13012 PONT SAINT-ESPIRIT  
Tel: (03) 98 90 33 99  
Fax: (03) 98 90 33 99

CERAN ARDENNES  
29A, avenue de l'Europe  
59000 LILLE  
Tel: (03) 20 77 77 24  
Fax: (03) 20 77 77 24

In USA: Langueage - Tel: (202) 267-1098 - Fax: (202) 264-1027

Residential courses in English, German, Dutch and Spanish are also available

مكتبة النجف



## TELEVISION

## SATURDAY

## BBC1

7.00 Touché Tale. 7.05 Wobbi. 7.30 Babar. 7.35 Eggs 'n' Bacon. 7.55 Breakfast. 9.00 Going Live! 12.12 Weather.

12.15 Grandstand. With Desmond Lynam. 12.20 Swimming. Highlights of the week's World Championships from Perth, Australia. 12.50 Racing From Ascot. 1.00 News. 1.05 Skating from Kitzbühel. 1.25 Racing From Ascot 2.15 Racing From Leopardstown. 2.00 Racing From Ascot 2.10 Rugby League. Live coverage of the final of the Regal Trophy. 3.50 Football Half-Time. 4.00 Table Tennis. 1.10 Final Score.

5.05 News. Weather. 5.15 Regional News And Sport. 5.20 The Flying Doctors. Australian drama series about a flying doctor service.

6.05 Challenge Anneka. Anneka has to turn an empty ward at Rochford General Hospital near Southend, Essex, into a community centre. 'Allo 'Allo Rene and Edith are trying to release Edith's mother Fanny and her new husband Vincent from the spare bedroom. And General Von Flockenstollen is planning to launch a lightning raid on Kitzbühel.

7.25 The Paul O'Grady Show. 8.10 Bergerac. The Dark Horse. Starring John Nettles as Jersey detective Jim Bergerac. Charlie Hargrove persuades Jim to return to Jersey to help find his friend's missing wife. Meanwhile Willy Pettit and Ben Lomas are substituting a judge and trying to come to terms with their obnoxious new boss. Co-starring Terence Alexander, David Kershaw and John Telfer.

9.00 News And Sport. Weather. 9.20 Midnight Caller. A Witch in Time Part 2. Gary Cole stars as the cop turned late-night radio chat-show host Jack Kilmer. Lighting crime at his studio.

10.15 Film: Sworn To Silence (1987). Starring Peter Coyote, Danby Coker and John Nesdon. A lawyer appointed by the state to defend a killer wrestles with his conscience when the accused gives him damning evidence of his own guilt. His only compulsion is to suppress the information rather than breach the confidentiality between client and attorney. Film: Crime Wave (1985). Directed by Sam Raimi.

11.45 Film: Crime Wave (1985). Directed by Sam Raimi.

1.10 Weather.

## BBC2

8.00 Open University. 8.25 Arts. 8.50 Open Advice. 10.15 Small Business. 10.40 Open Preparatory Maths. 10.55 Roman's Egypt. 11.35 Made By Man. 11.50 The Honeybees. 12.15 Film: The Crossed-Up Lion (1985). 1.45 Animation Now. 1.55 Under The Sun. 2.45 Mahabharata.

3.55 Film: Five Came Back (1939). Starring Chester Morris and Lucille Ball. (B/W).

4.40 Darts. Live coverage of the Embassy World Championship final at the Lakeside Country Club, Frimley Green.

6.25 Newsview Weather.

7.10 Cruella 91. Angela Rippon, Peter Purves and Mike Stockman introduce highlights from the final day of competition at the NEC.

8.00 The Tower Of Dreams. A fantasy documentary about Charles Koechlin, one of the strangest and most exotic figures in the history of French music. This film enters into the composers world of dreams and features his work based on films, his Seven Stars Symphony, which is a portrait of seven film stars, and his works based on Kipling's Jungle Book that form the core of his orchestral output.

9.00 French And Saunders. More comical sketches, with special guests Kirsty MacColl, Jerry Hall and Marie Helvin.

9.30 The War That Never Ends. Ben Kingsley, Tom Hiddleston and Alec McCowen star in John Barton's adaptation of Tucidides's History of the War Between Athens and Sparta, which chronicles the 27-year Peloponnesian war between the two powerful states that destroyed an empire.

10.45 Twin Peaks. Feature-length cartoon-reel to the second series of David Lynch and Chris Foster's enigmatic and surreal dunnit set in a small town-west American sawmill town.

12.15 Film: Boy Stives (1938). Starring Anne Shirley, Roger Daniel and James MacCallan. A gang of youths in the Great Depression fall into the hands of unscrupulous burlesque farmers who treat them as slave labour. Directed by P. J. Wolfson as an indictment of teenage slavery in America's deep south of the 1930s.

## LWT

8.00 TV-Am. 8.25 Motormouth. 11.35 The ITV Chart Show. 12.40 Green Day. 1.40 77N News. Followed by ITV National Weather. 1.05 LWT News and Local Weather.

1.10 Grand Sportmen. Dickie Davies presents the second edition of the sporting quiz series, in which the best players from past Sportmen programmes compete for the special title of Grand Sportmen.

1.40 World Sport Special. Classic moments of sporting history from around the world. Followed by The Day.

2.10 Golf Page Year '91. Infilli Tournament of Champions.

3.05 Snooker. The Mercantile Credit Classic The Final. The prize is £60,000 for the winner of this prestigious tournament taking place at The International Centre, Southampton. The winner will be the first to reach 10 frames. Tony Francis introduces the action, with commentary from John Pulman, Rex Williams, Mark Wildman, Jim Meadowcroft and Dennis Taylor.

4.45 The Return Of The Prodigal Son. An actor's return to his native Finland prompts musings on the past and present, its nature and its sons.

5.05 News. Weather. 5.15 LWT News. Local Weather. 5.15 Beverly Hills 90210. The Green Room. Following the pilot film, the American comedy drama series about the Welsh family continues. Accountant Jim Walsh has been transferred by his Minnesota office to Los Angeles, resulting in a culture shock for himself and his family.

6.10 The Phil. Roy Walker hosts the high-tech quiz.

6.40 Blind Date. 7.40 Inspector Morse. The Internal Serpent. When a man is the popular television detective and Kevin Whately as Sgt Lewis, investigating another murder in and around Oxford.

8.40 LWT Weather. 9.00 Aspel & Company. Welsh singing competition. The winners will be David Allen (John Michael) Aspel in this opening edition of a new series.

10.45 Snooker. The Mercantile Credit Classic The Final. The prize is £60,000 for the winner of this prestigious tournament taking place at The International Centre, Southampton. The winner will be the first to reach 10 frames. Tony Francis introduces the action, with commentary from John Pulman, Rex Williams, Mark Wildman, Jim Meadowcroft and Dennis Taylor.

12.30 Film: Kid Kid (1972). Starring Clint Eastwood, Robert Duval and John Saxon. Film: Bangor. Wake Up And Die (1971-3). 3.30 Backstage. 4.00 The Hit Man And Her.

## CHANNEL4

6.00 Comic Book. 7.30 News Summary. 7.55 Channel 4 Racing. The Morning Line. 8.25 Sing And Swing. 8.50 Listening Eye. Signs Of Our Times. 10.00 Marmalade Of Taste. 10.25 Andy Hardy Come Home (1939).

12.00 Broken Silence. Invisible Roots. Documentary series looking at animal behaviour today examines the spectacular and surprising journey some species undertake.

12.30 American Football Red 42. A repeat of yesterday's magazine programme.

1.00 Fragile Earths Earth First. Another chance to see the documentary about the Daintree rainforest in Queensland, Australia, which has been saved from the bulldozer after a battle lasting almost a decade.

2.00 Film: The Long Gray Line (1955). John Ford's epic tribute to West Point. The story of a young man, a young woman (Tyne Power) and his career as an athletic teacher at the Academy.

4.35 The Return Of The Prodigal Son. An actor's return to his native Finland prompts musings on the past and present, its nature and its sons.

5.05 News. Weather. 5.15 LWT News. Local Weather. 5.15 Beverly Hills 90210. The Green Room. Following the pilot film, the American comedy drama series about the Welsh family continues. Accountant Jim Walsh has been transferred by his Minnesota office to Los Angeles, resulting in a culture shock for himself and his family.

6.10 The Phil. Roy Walker hosts the high-tech quiz.

6.40 Blind Date. 7.40 Inspector Morse. The Internal Serpent. When a man is the popular television detective and Kevin Whately as Sgt Lewis, investigating another murder in and around Oxford.

8.40 LWT Weather. 9.00 Aspel & Company. Welsh singing competition. The winners will be David Allen (John Michael) Aspel in this opening edition of a new series.

10.45 Snooker. The Mercantile Credit Classic The Final. The prize is £60,000 for the winner of this prestigious tournament taking place at The International Centre, Southampton. The winner will be the first to reach 10 frames. Tony Francis introduces the action, with commentary from John Pulman, Rex Williams, Mark Wildman, Jim Meadowcroft and Dennis Taylor.

12.30 Film: Kid Kid (1972). Starring Clint Eastwood, Robert Duval and John Saxon. Film: Bangor. Wake Up And Die (1971-3). 3.30 Backstage. 4.00 The Hit Man And Her.

## REGIONS

5.40 Early Morning. 10.00 Class By Class. 10.20 The Secret Life Of Machines. 11.00 Travel. 11.30 Remote Control. 12.00 Jonathan Ross. 12.30 Dominic and The Skygazer. 2.00 Film: The Story Of The World. 2.30 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News. 10.55 News. 11.25 News. 11.55 News. 12.25 News. 12.55 News. 1.25 News. 1.55 News. 2.25 News. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.25 News. 6.55 News. 7.25 News. 7.55 News. 8.25 News. 8.55 News. 9.25 News. 9.55 News. 10.25 News.



**Y**OU DON'T have to be a pacifist to argue that a war against Iraq now would be an unjust war. Or so says Britain's peacenik priest, Bruce Kent.

Harassed by the secret service for his Campaign for Nuclear Disarmament work and at odds with the English Catholic hierarchy, the former monk is used to being on the unpopular side of the argument. This time, however, he is not alone. Many churchmen, academics and politicians agree with him that time-honoured conditions for a "just war" have not in this case been met.

As the hours to the UN deadline tick away, Bruce Kent, president of the London UN Association but yesterday wearing the hat of president of the International Peace Bureau, flew to the The Hague in an attempt to have the relevant UN resolution, number 678, declared technically invalid by the International Court. His mission is an example of the militant pacifism that Kent, a young schoolboy and National Serviceman in the tank corps, says he has acquired through personal experience, knowledge of nuclear weaponry and what he calls his Christian fundamentalism.

"Yes, I'm a pacifist," he said this week. "But I don't like the word. I'd much prefer to say I support active non-violence because the word pacifist has become a term of opprobrium. It implies doing nothing until war breaks out and then refusing to do anything."

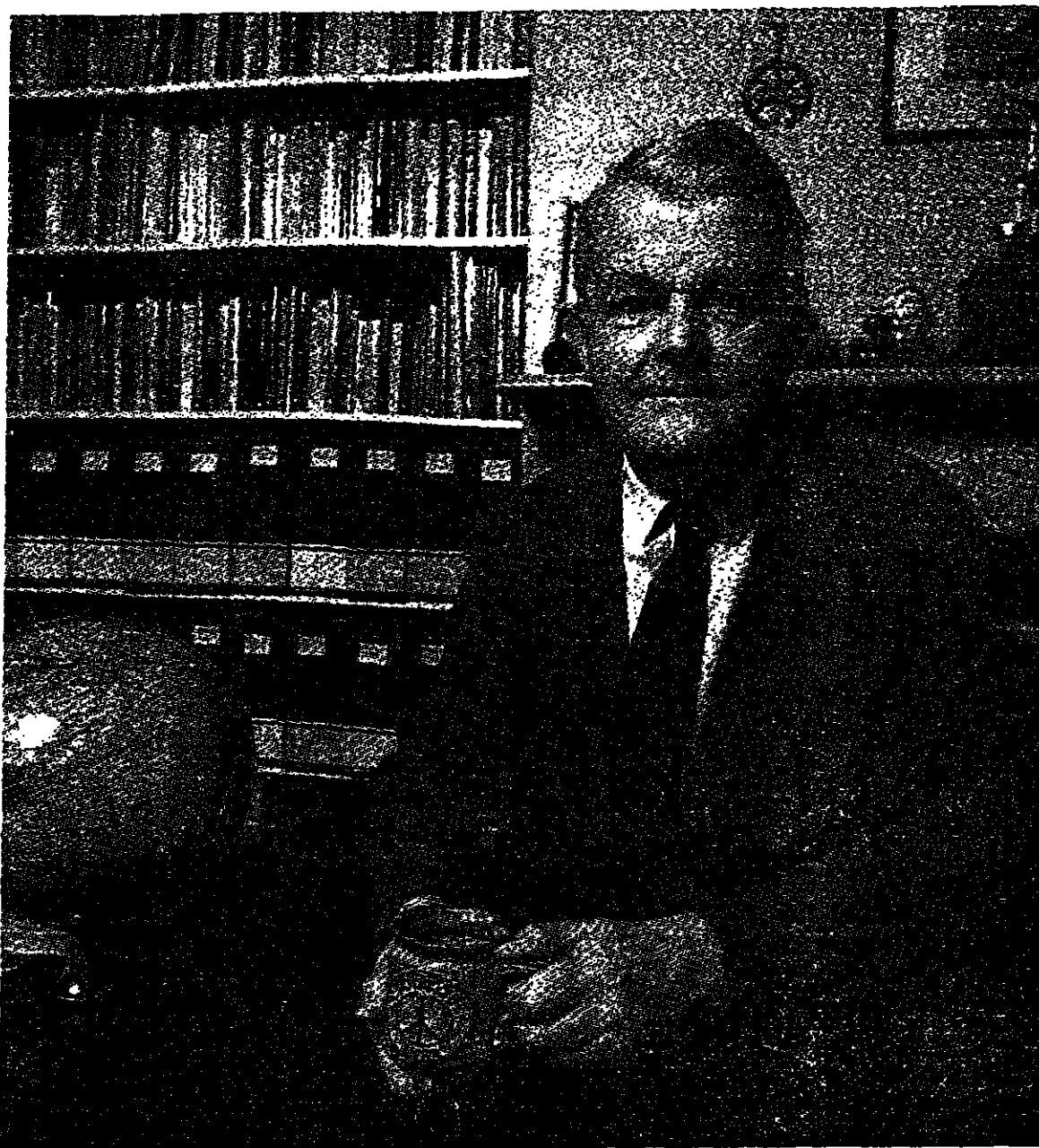
I asked whether his pacifism meant standing by if a neighbour came round with a machete and threatened to kill his wife. "That's precisely why I don't want to be called a pacifist. It's completely wrong to draw parallels between the pub brawl and international conflict where most troops are not even knowledgeable about the issues involved. If I was physically attacked I would probably fight back because I am quite belligerent. But I would want to disable rather than destroy if that were possible."

He doesn't look belligerent. He has the untorn face, chubby frame and urbane, confident manner of the successful cleric. Although Monsignor Kent is now plain "Mister", he is still a priest. He gave up his ministry four years ago because of the embarrassment his political activity was causing Cardinal Basil Hume and the Catholic Church. A year later he married Valerie Flesati of the Catholic peace organisation, Pax Christi - it was an unrelated decision, he insists.

Only the trophies in his terrace-house flat in one of the drabber areas of North London give a clue to his other career as left-wing socialist and Minister of Defence bogymen: a miners' lamp from Scargill country, a glass goblet from the East German peace movement, a piece of wire from the Iron Curtain.

Hadn't the war against Hitler, at least, been necessary? "Something had to be done, certainly. But I don't think it was necessary in the sense that if we had made the League of Nations work then the war might have been avoided. Remember that Establishment opinion was for tolerating Hitler until a very late date because he was seen to be a bastion against the spread of Communism. In a way pacifists suffer like firemen being brought along when the house is absolutely ablaze: it's not fair. My sort of person would never have tolerated the Versailles settlement."

Like others who oppose a Middle East war, Kent feels that British leaders have learned the lesson of Munich too well, and are gripped with a guilt about appeasement which compels them to continue to use the language of 1939 in the con-



Ashley Ashwood

### Private View

## Battles of an active pacifist

Christian Tyler talks to Bruce Kent, the 'peacenik priest' who is fighting through the courts to prevent a Gulf war

text of today's much more fearsome weapons. But, I objected, if all peace efforts have failed there is nothing to do but stop the aggressor in his tracks. "People say that. But when China took over Tibet I never heard anyone say we should go to war with China. Nobody suggested we should go to war with South Africa over apartheid. It was the same with the Soviet takeover of Czechoslovakia - yet that was a grossly unjust thing to do."

"I have to say that sometimes, like with some dreadful disease, you can't right the situation. Justice cannot be done in all circumstances."

So there are circumstances in which you would be forced to accept foreign dominion over your country because the consequences of defending your freedom were too catastrophic?

"I'll do my best to prevent bur-

glary but I am not prepared to blow up the house to keep out burglars. It's the same in the international world. Better Red than Dead, in other words?"

"I don't think that situation ever arose, but yes, I would say better Red than a nuclear holocaust. Better to live with the situation and change it from within. But now we see perfectly well that there was no Red Menace - they couldn't even run their own country."

Unlike many pacifists, Kent acquired his conviction late in life. As a schoolboy at the Jesuit-run Stonyhurst College, he applauded the bombing of Hiroshima. As a national serviceman he would have obeyed orders without question if sent to Malaysia or Korea. As a seminarian he considered the Suez venture a "bloody good show". What changed his mind was what he saw in Nigeria in 1969 during the

civil war: "hundreds of thousands of innocent people being starved to death, all in the cause of quite absurd nationalism, with oil at its root."

One friend remembers Bruce Kent as a sleek bureaucrat, working as a secretary to the then Cardinal of Westminster, and as a popular London University chaplain radicalised by the students. Kent emerged as a nuclear pacifist with formidable campaigning skills, eventually becoming secretary of CND in 1980.

Other influences, such as Graham Greene's novel *The Power and the Glory* and the martyrdom of the Austrian conscientious objector Franz Jägerstätter helped to move him to a moral stance more fundamentalist than that of the Church in his own country.

He agrees with a recent article in *Le Monde* which described the Vatican as moving on to a twin track approach to modern conflict:

denouncing its use in general, but soft-peddling in particular cases by reviving the escape route of the "just war".

So if you had to register as a conscientious objector tomorrow, what reasons would you give the tribunal?

"Well, I'd argue down both lines. I'd say that as a fundamentalist Christian I would not be involved in a war anyway. But also, applying the official teaching of the Catholic Church - the just war teaching - I cannot believe that this war is justified under those terms either."

The concept was invented by the Romans (except when fighting barbarians), developed by St. Augustine and St. Thomas Aquinas and refined by modern jurists. Today, there are seven commonly-quoted criteria to be satisfied - although by no means a simple checklist - two of which at least, Kent says, a UN-backed Gulf war cannot meet.

**U**ntil economic sanctions had been given time - and Iraq was singularly vulnerable to sanctions - a military attack was not the last resort the "just war" requires. Second, the punishment would be out of all proportion to the crime, the benefit to be achieved being outweighed by the terrible human and physical devastation and the long-term damage to international relations.

"However clear the *casus belli* - and of course I want Saddam Hussein out and international order and law to prevail - there is no reasonable hope that war will be contained. Now if it was the Falklands again, an armed camp of soldiers, I agree it would be very difficult for me..."

I asked which Bruce Kent came first, the Scargillite socialist or the religious fundamentalist.

"I think Christianity is far more revolutionary than anything Arthur Scargill has on offer," he said. "Once you start praying the Our Father seriously you are talking about a common family and common people. If we take seriously issues of wealth and poverty and peace and war as I see it from the gospel, you come to a very much more interesting, more radical position than you do by following left wing socialism."

So, my socialism comes out of my Christianity. I don't see how you can love your enemies and threaten to incinerate them, still less their families, relations, the generations forward."

Then are you more Catholic than the Catholic Church?

"If I answer questions like that I become a judgmental person. But 40 years ago I would have said I'm a Catholic and, oh yes, I'm a Christian as well. Now I would say I'm a Christian and I happen to belong to the Catholic part of that community."

Your position is thoroughly moral, you would say, and fundamentalist - which makes it even more moral I suppose. Why is it that so few people apparently would agree with you?

"Public opinion is bought and sold in this country, as you know. It depends on what the *Sun* and *Mirror* tell them. Media owners have a stake in society, interests in the US. I don't know. I wish I could tell you. Why did we have the Cold War? But opinions change. History seems to go in spurts."

"I have always felt quite outside what I call the official pacifist world in this country, because it is so dogmatic. A lot of the nicest people one meets who don't want war are military people, are civil servants, doing the hard graft of making life work."

"Pacifism is not a ticket to salvation. We all have to work through these problems."

## The curse of Rifkind

Michael Thompson-Noel

CECIL PARKINSON, Britain's foppish former transport secretary, is one of those people

Rippon is another one, so is Robert Maxwell for whom I pursue an almost chemical antipathy. If I knew them I would probably like them. I expect they are kind to animals and forever sending postal orders to the hungry and dispossessed.

In Cecil's case, my dislike was only marginally influenced by his dress and fastidiousness. He was majestic, and probably fragrant. What used to anchor my distaste was his aloofness in the face of the mess that masquerades as Britain's transport policy, at least as evidenced in London.

It was Cecil, after all, who uttered one of the most damning declarations of the late Thatcher period: "I really must get around to catching a few buses and getting on the Tube," he said a year ago. "I haven't been on one for years."

But Cecil is lost from view now, and spending more time with his family. His successor as transport secretary, Malcolm Rifkind, seems a different kettle of fish. I am finding it hard to loathe him, though all it will take is time.

For example, I cursed him on Thursday when I left the office and walked to the little Southwark street where I park my car from day-break to tea-time. As I rounded the corner I was brought to a halt by a revolting sight. My pulse soared wildly. I clutched at my strangling tie. I was as stunned as a mule.

In a fit of unspeakable pique, the local gendarme had slapped a parking ticket on my car.

I am proud of that lovely car. It is not an office car. I am not one of your sycophants. It is my very own car, bought with hard-earned cash augmented, now and then, by rather showy coups at the better British race tracks. It is a white-painted car, as white as Shakespeare's breast.

A British car, of course, a Rover with an ill-fitting driver's door that whistles on the *autostade* and a sunroof that leaks.

I am protective of its faults, though I expect to be quizzed about them by John Stalker, former deputy chief constable of Greater Manchester, who was required, last year, to investigate "alleged leaks" at the Rover group.

The sunroof aside, I get an inordinate amount of pleasure from my white-breasted Rover, beneath whose bonnet beats a wrathful British engine.

The British can still make engines, mark my words. I believe that if matters in the Gulf finally reach flash-point it will be our tanks that reach Baghdad first - indeed, may overshoot it, pulling to a halt in Rostov.

It is the Britishness of my car, its fine Roverish qualities, that led me to suppose that it was safe where it was parked, among some council houses.

The inhabitants of those houses take a violent view indeed of any foreign cars - especially French or

German ones - parked within their purviews, but they turn a blind eye to anything British-made cycled in their midst.

They wave to me at day-break and admire, wide-eyed, the way I blast my horn at any dreadful Volvo or unspeakable BMW or limp-wristed Renault that dares to cross my path while I am executing my manoeuvres.

Rover drivers are encouraged to use their horns for it is stated in the manual, in words no-one can deny, that the horn of a Rover must be tested every day.

If asked to explain themselves, the gendarme would claim that on Thursday, at tea-time, I was parked on a yellow line. But it is a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

This is not to malign the health and safety standards of the excellent borough of Southwark, where the global headquarters of this newspaper are now eccentrically found.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

Nevertheless, it was the gendarme's temerity - in attacking my British car with one of their vulgar tickets that made me - a pathless thing, that line, not, exactly, yellow, not, in truth, a line, more the last mendering of a choleric, capricious rat.

### SPORT

Tennis/John Barrett

## Seeking answers in Australia

**T**HE FIRST of the year's major tennis championships, the A\$5.2m Australian Open, which begins in Melbourne on Monday, should settle a few of the questions left over from an intriguing 1990 season.

Last year, for the first time since 1966, eight different men and women won the singles titles at the four grand slam events. Steffi Graf retained her Australian crown but fell in the final of the French Open to 16-year-old Monica Seles. The 21-year-old German was too nervous to survive in the Wimbledon semi-final against an inspired Zina Garrison (who was then beaten by Martina Navratilova), and was tripped at the last hurdle by a transformed Gabriela Sabatini in New York.

I was sitting at courtside for that Melbourne final against Mary Joe Fernandez and I saw how tentative and nervous Graf was. That lack of confidence was to haunt her all season, intensified, no doubt, by the allegations of impropriety against her father that were making headlines round the world. When the scandal was at its height during the French Open, I remember thinking how difficult life must be in the golfish bowl for a sensitive person like Steffi.

When Sabatini beat her again in the semi-finals of the Virginia Slims in November - a marvellous 6-4 6-4 decision that revealed once again the frailty of the German's silken backhand - the anxiety

was still apparent. And small wonder, for no world champion is comfortable when a weakness in her game has been revealed.

In the past, Steffi's heavy forehand and great athletic ability have enabled her to cover up this Achilles' heel. Of all her rivals, only Navratilova was capable of exploiting it, and then only occasionally on a really fast court. But Sabatini's decision to become a serve-volleyer, a change of style encouraged by her new coach, Carlos Kirmayr, has turned her into a surprisingly capable attacking player.

Carlos has also helped Gabby enjoy her tennis again, but then you would expect that from someone who, when young, ran a pop group called the Flashbacks. Carlos has always had life in proper perspective.

Steffi can and does occasionally hit flat or lifted backhands. Her Czech coach, Pavel Slovic, was telling me at the US Open how frustrating it had been to see Steffi hitting a stream of perfect drives in their practice sets and yet not having the belief to use the shot regularly in matches. It is a problem many players face. When danger threatens they play safe.

The way Steffi tackles this psychological problem in the next two weeks will be a measure of her greatness. Her No. 1 world ranking, a position she has held for a record 19 weeks, since August 17 1987, looks increasingly insecure.

Seles is playing in Australia for the first time and I shall be surprised if she does not prove her versatility by winning the title. She caused all sorts of problems by pulling out of the Sydney tournament this week after competing in the Hopman Cup, an international special event involving singles and mixed doubles that is mistakenly sanctioned by Australia.

Frankly, this is disgraceful. True, Seles has been fined \$6,000 for withdrawing, and the Women's Tennis Association also had to pay the organisers \$22,500 for failing to comply with their obligations. But the players should never be subjected to this sort of temptation. The Hopman Cup is a wonderful event but should be held at another time of year.

The men, too, were hard to assess last year. Ivan Lendl's only grand slam success came in Melbourne and he was very fortu-

nate that Stefan Edberg's stomach muscle injury forced the Swede to retire midway through the final. At the time I thought Edberg was the better player.

Ironically, a similar injury in Sydney this week forced Ivan to retire from the New South Wales Open in his first match. Lendl may have reached the point in a distinguished career when he is starting to slip. He is marginally slower now, is making more errors than usual, and is not finding it so easy to hit winners.

For Andre Gomez, 1990 ended on June 10, the day he won his first grand slam title in Paris at the age of 30. And why not? This delightful Ecuadorian left-hander has nothing left to prove and is entitled to enjoy a distinguished semi-retirement.

But the man he beat in that final, the arrogant American, Andre Agassi, has plenty to prove, for he showed a disquieting lack of match-playing ability both in Paris and in the title match at Flushing Meadows where Pete Sampras thrashed him.

Once again Agassi has chosen to miss



Pete Sampras: a serious rival for Edberg

the Australian Open. He has never competed here, though he is now talking of entering for Wimbledon this year. Until he is ready to put his reputation on the line against his peers at all the grand slams, the only events where everyone is giving 100 per cent, we cannot take him seriously.

What we must take seriously is Agassi's attitude to contractual obligations. The fine of \$25,000 imposed on him for withdrawing from the 1990 Compaq Grand

Slam Cup in Munich is totally inadequate but, the highest penalty allowed under the present rules. In 1991 that figure will be increased to \$250,000.

What of Edberg and Boris Becker, who disputed the Wimbledon final for the third year running after each had lost in the first round in Paris? Both are finding it difficult to repulse the younger men. Sampras, the US Open champion, and Goran Ivanisevic, the left-handed Yugoslav, are their chief rivals, and expect to see one of them win in Melbourne.

All four have chosen to prepare for the Open by competing in this week's special Rio event in Adelaide, a round-robin played at night. This is hardly the way to prepare for the potentially blistering heat of Melbourne.

It is wonderful how this game keeps on throwing up bright new players. This week in Sydney a young Frenchman, Fabrice Santoro, has demonstrated his considerable skills. Double-handed on both wings, like Seles, Santoro qualified here and then beat last year's finalist "Charlie" Steeb of Germany 7-5 6-2 with dazzling control and guile.

America's Aaron Krickstein, the champion here two years ago, was the next victim, beaten 7-5 1-6 6-3 and totally bemused. Aged just 18 and already ranked 54th in the world, Santoro does not yet realise how good he is. The higher ranked men are hoping he never finds out.

**I**N 21 years of playing Africa's Safari Tour, which includes the Nigerian, Zambian, Zimbabwean, Kenyan and Ivory Coast Opens, Irishman David Jones has encountered most disasters, natural or otherwise, known to man.

Jones has been through hurricanes and floods, contracted malaria, bilharzia and other diseases, escaped poisonous snakes and crocodiles, been locked up in jail and been held at gunpoint in Zambia. On the safari tour, patience is not just a virtue: it is a necessity.

"The safari tour breeds a certain type of character," says Jones, winner of the 1990 Kenya Open and committee member on the European PGA tour, "because it has a way of

weeding out anybody who has not got patience and calm. So many things go wrong simply because it is the Third World."

The result is a group of safari tour specialists, namely Yorkshireman Gordon J. Brand, who has won six safari events, Welshman David Llewellyn, who has won three, John Morgan, who holds three African titles, and Jones. All four are well-known on the European tour for their easy-going approach to life.

It is Jones's belief that the reason why younger or more gifted players do not do better on the safari tour is that they cannot cope with its trials and tribulations.

In Nigeria last December, for example, a day's play had to be cancelled because the authori-

ties in Lagos decided to ban public gatherings because they were holding a council election on the Saturday of the tournament. Anybody who was not voting was confined to home or hotel for 24 hours.

From Lagos, 56 players were to fly to Abidjan, but on arrival at the airport they found there were only 22 seats on the aircraft. The 34 players left behind had to spend the night in a hotel of such dubious repute that they stayed up all night playing cards, afraid to risk the beds.

The following morning they were put on an aircraft to Togo. On arrival in Abidjan at midnight, they were taken on a five-hour bus journey to the tournament venue. They reached their destination at 5am on the morning of the event, in which three of the golfers were playing at 8.30am.